



# **EVALUATION OF SNOHOMISH COUNTY'S LAND USE PERMITTING PROCESS**

By:

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## BACKGROUND

In May 2002, the Snohomish County Council in concert with the County's Executive Office advertised for the services of a professional consulting firm to conduct an independent and comprehensive review of Snohomish County's Land Use Permitting Processes. The County Council requested the evaluation focus include a review of the permitting processes, including:

- ❑ Efficiency and effectiveness of permitting processes, including performance measurement of the processes;
- ❑ Organizational structure, including relationship and coordination between Planning and Development Services (PDS) and Public Works
- ❑ Comparison of process performance to other similar permitting organizations
- ❑ PDS's customer service focus, staffing skills, training and performance evaluation process.

Additionally, the County Council and Executive Office requested the consultant provide recommendations to improve the permitting processes, as well as a prioritized and cost implementation plan for the recommendations provided.

The Snohomish County Council selected Demarche Consulting Group, and its subconsultant, Financial Consulting Solutions Group, to conduct the evaluation, and issued the notice to proceed on May 29, 2002. A draft report was requested to be completed by September 9, 2002 with a final report scheduled for October 8, 2002.

Snohomish County requested the fieldwork of the engagement adhere to generally accepted audit practices including sufficient analysis and documentation to allow findings, conclusions, recommendations, and objectivity to be defended. The engagement would be approached and organized as a "performance audit".

Demarche Consulting Group organized the engagement into four major elements of work:

1. Mapping and analysis of selected permitting process;
2. Focus groups with process stakeholders;
3. Organizational analysis of PDS; and,
4. Jurisdictional research.

This report provides the results of the engagement and is organized into the following Sections:

**A *performance audit*** is an objective and systematic examination of evidence for the purpose of providing an independent assessment of the performance of a government organization, program, activity, or function in order to provide information to improve public accountability and facilitate decision-making by parties with responsibility to oversee or initiate corrective action."

**(U.S. General Accounting Office, Government Auditing Standards Publication)**

- ❑ Executive Summary;
- ❑ Methodology;
- ❑ Findings;
- ❑ Conclusions and Recommendations; and,
- ❑ Implementation Plan.

Additionally, an Appendix, previously transmitted under separate cover, contains supporting information, including verbatim comments from the Focus Groups, Organizational Analysis data and information, statistical and organizational information from Snohomish County, King County, Pierce County, Clark County and Spokane County.

## A. EXECUTIVE SUMMARY

The results of our review of Snohomish County's Land Use Permitting Processes revealed that it is struggling with many of the same challenges that other regulatory agencies struggle with. These include the challenges of providing a fee charged customer service, while ensuring regulatory "health, safety and welfare" issues are appropriately addressed by its permitting authority and processes.

Snohomish County's Planning and Development Services (PDS) organization, like all government organizations has "evolved" over time. Its permitting processes have also undergone changes. In the last few years, there have been additional significant events, which have impacted PDS, and its permitting processes.

**The PDS's permitting processes have become needlessly complicated. People who do the work have limited understanding of the processes or ownership of the processes or their outcomes.**

- ❑ Increases in code volume and complexity;
- ❑ Changes in PDS leadership and organizational structures;
- ❑ Two "Reductions in Force" (R.I.F.), which can result in significant movement of personnel within PDS, and not always result in the best fit of organizational need and staffing skills, and;
- ❑ Increased initiatives and ad-hoc fixes of process *symptoms*, in response to external, and internal expectations.

The results are the PDS's permitting processes have become needlessly complicated. People who do the work have limited understanding of the complete processes, and there is not clear ownership of the processes or their outcomes.

This is not an uncommon situation in which government organizations find themselves. Structurally, some public sector organizations have begun to address the issues. Largely driven by a transformed market place, and the demands of citizen involvement, service expectations from users of public services demand reform. Not surprisingly, citizens no longer accept that government is exempt from customer service standards. Yet, despite the demands from citizens, customers, clients, and users of services, government structures have been slow to change from rigid hierarchical structures.

Customers, results and process are bound together in an "iron triangle" to borrow an expression from Michael Hammer.<sup>1</sup> You cannot be serious about focusing on one without focusing on the other two.

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<sup>1</sup> Michael Hammer, *The Agenda: What Every Business Must Do to Dominate the Decade*. (Random House, NY. 2001.)

The capacity to deliver results to customers and to be successful as an organization, no matter whom your customers, depends on the capacity and capability of process. A process that is capable of delivering results is organized – it is concrete, specific and designed to deliver the results intended. What happens, happens on purpose. Further, a capable process has related activities – it is aligned around common goals, and collaborators who know the purpose of the process, understand all the steps required in that process and are committed to achieving the desired results.

**BUSINESS PROCESS: PROCESSES ARE WHAT CREATE THE RESULTS THAT A COMPANY DELIVERS TO ITS CUSTOMERS.**

**PROCESS IS A TECHNICAL TERM WITH A PRECISE DEFINITION: AN ORGANIZED GROUP OF RELATED ACTIVITIES THAT TOGETHER CREATE A RESULT OF VALUE TO CUSTOMERS.**

## CONCLUSIONS

The following conclusions can be made from the findings of interviews, mapping, analysis, focus groups, comparative studies, examination of business practices, and surveys of staff:

- ❑ Current processes are not designed to deliver what is expected by the customers.
- ❑ There is not any evidence of ownership of the process or responsibility for designing processes to meet customer expectations. A process owners responsibility includes paying attention to the organization and relationship of all the activities in each process to achieve customers results.
- ❑ These processes are overwhelmed with overhead – a significant amount of resources are expended which do not bring value to customers.
- ❑ Current processes are beset by delays – there are few commitments to deliver results to customers anywhere near the time it actually takes to do the work involved a clock time of work versus calendar time to have work take place – i.e. one hour review of corrections (clock time) can take up to 8 weeks (calendar time) to be accomplished.
- ❑ Current processes are plagued by errors – numerous correction cycles are built into the process, and most errors are attributed to the customer.
- ❑ Current processes operate unpredictably and inconsistently. Changes in staff and multiple interpretations of codes make the process iterative and ad hoc. Staff skill levels applied at various points in the process insures different and varied results. The need for review is unclear, so most everything is reviewed, making the process arbitrary.
- ❑ Current processes reflect a lack of alignment around common goals – there is no clear and common reason for being in business and collecting customer's money. The results that customers want, and that customers actually deserve from the process, are not necessarily what the process is designed to deliver.
- ❑ The permitting processes are performing poorly and the existing process measures are not meaningful to customers (PDS 's four -Executive Report- measures):

- Percent of Customers at Permit Counter served within 30 minutes - Goal: serve 75% of customers at the Permit Counter within 30 minutes;
  - 2<sup>nd</sup> Quarter 2002 = 72.8%
- Percent of Single Family Building Permits, Goal: 75% in 21 days, percent achieved is based against 75% of permit applications. Goal: Issue single family building permits, 100% within 21 days (no CAR review);
  - 2<sup>nd</sup> Quarter 2002 = 65.9%
- Single Family Residential Permits percent issued, Goal: 90%, in 8 days, percent achieved is based against 100% of Applications. Single Family permits issued with basic plans, 90% within 8 days;
  - 2<sup>nd</sup> Quarter 2002 = 61.8%
- Percent of projects on time for setting a hearing under 120-day clock;
  - 2<sup>nd</sup> Quarter 2002 = 64.5%
- ❑ Snohomish County permitting volume and performance is average among the five County's we reviewed.
- ❑ The PDS organization lacks a clearly communicated, understood and supported organizational mission and purpose.
- ❑ The existing organizational structure has been changed several times over the last two years, based on available personnel and budget reductions.
- ❑ The majority of PDS employees have not had a performance evaluation within the last two years.
- ❑ Training provided to PDS employees is limited.
- ❑ PDS and Public Works cooperation and coordination need enhancement.
- ❑ PDS does not have regularly scheduled and structured, two-way communications with customers and stakeholders.
- ❑

## RECOMMENDATIONS

Based on our findings and analysis, it is our recommendation that Snohomish County conduct a comprehensive redesign of its permitting processes. The redesign should be approached holistically, addressing PDS's structure, systems, and culture. We recommend beginning with leadership alignment and clarity on the essential purpose and expectations of PDS, and then design structures and systems that will fulfill the desired outcomes.

Given the current condition and performance of PDS's processes we do not believe additional initiatives or incremental efforts will have significant positive impact on the performance of the process. To the contrary, continuing with incremental initiatives, and symptoms fixes, will likely exacerbate the current fragmentation. Effective and long last solutions cannot be drawn from a prioritized menu of items.

While a menu approach might be the approach many organizations (and consultants alike) would typically recommend, we believe this would be short sighted and result in a very initiative rich environment –characterized as “the flavor or fad of the month.” Snohomish County PDS has implemented numerous initiatives over the last few years – each focused on “fixing” symptoms of the existing processes. We believe the time for incremental tweaking is past - and the time for transformational reinvention is an opportunity Snohomish County should seize.

Embarking on the path of transforming PDS into a high performing organization is certainly a worthwhile endeavor. We know from experience that although it can be very successful, it is very hard work. A high level of leadership commitment, understanding, and support is critical to the successful transformation.

There are three very fundamental and critical questions that must be addressed by Snohomish County’s (Council, Executive and PDS) Leadership must address prior to starting on any process improvements:

- ☐ Do PDS’s permitting processes need significant improvement?
- ☐ Can the PDS’s permitting processes be significantly improved?
- ☐ Is there a common view and commitment among Snohomish County’s Leadership to significantly improve the permitting processes?

We believe the County’s leadership (Council, Executive and PDS) must answer affirmatively to all three questions as a prerequisite to successfully implementations process improvements.

Our recommendations define four distinctive features that would characterize a new PDS organization:

First, the organization would become customer-focused, and design all processes to that end. This perspective would inevitably lead to new ways of thinking because it would change the current belief that customers “needs” cannot be met. Meeting customer needs would be the business of PDS.

Second, process thinking would be based on a belief that PDS’s success flows from a well-designed way of working. This perspective would suggest that a new way of working would demand designs that meet interests in a transparent way.

Third, processes would all be designed to be outcome oriented – teleological. This means that the process would focus on the outcome of the work rather than on the work as an end in itself. All activities that do not bring value to the specific outcomes would be subject to redesign by the process owners.

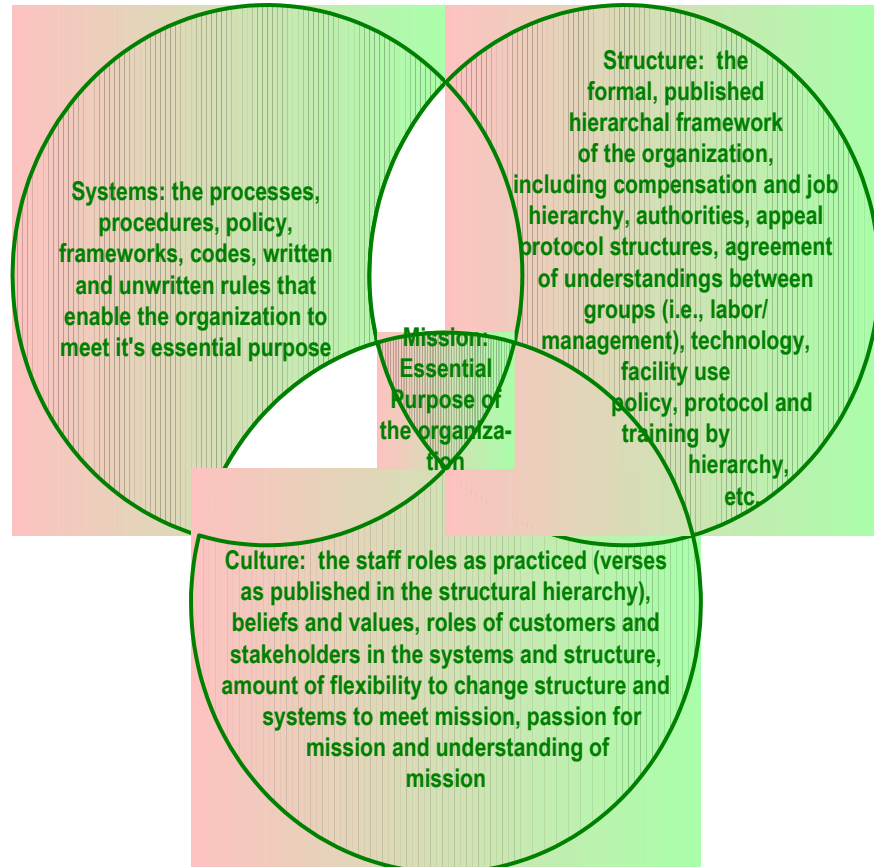


Fourth, processes would be holistic and transcend individual activities. A good process design concentrates on how the various activities in that process fit together and complement each other to produce the best outcomes, i.e. customer results.

With these principles in mind, our goals for PDS would be to create integrated systems, structure, and culture that together provide results for customers, and meet the mandates of mission.

Generally, the transformational goals could be stated as:

1. Make PDS easier to do business with. This is the customer results and service aspect of process design. What do customers need? Are you designing to provide it according to the parameters customers need?
2. Add more value for customers. This is especially necessary since PDS is a monopoly, and creates the constraints customers go through to get the services they need from PDS. Creating value is likely to take the form of skilled coaching, on-line services, less review, simplified code, etc.
3. Streamline your processes to provide the services so customers get results without having to manage your inefficiencies. Obsess about improving and fine-tuning your approach to getting results by having clear process ownership – this means someone who has clear responsibility to pay attention to improving the way processes work to deliver results.
4. Use measurement for improvement by creating dashboards and communicate process performance to both staff and customers. Keep measurement focused and manageable, but visible, available and understandable. But most of all, communicate it broadly and openly. Use measurement for improvement, not punishment.
5. Challenge the sacred cows and push past boundaries to achieve results for customers while meeting the mission. This will likely mean old organizational structures are no longer



appropriate. Old ways of doing things no longer are appropriate in every case; i.e., not everything has to be reviewed. Old assumptions about management will be challenged, e.g., that lower paid staff should do “clerical” type tasks, or that “the first customer in should be the first customer served”.

6. Finally, management and leadership must demonstrate more effective management and leadership skills. Defining and modeling behaviors that allow for alignment of formal and informal cultural characteristics require challenging current paradigms and practices. In order to successfully integrate the new transformational processes, leaders must be able to clearly articulate create an environment in which their people have the opportunity to succeed.

## B. METHODOLOGY

Demarche Consulting Group organized our approach to evaluating Snohomish County's Land Use Permitting Processes into four major elements of work:

1. Mapping and Analysis of selected permitting process;
2. Focus Groups with process stakeholders;
3. Organizational Analysis of PDS; and,
4. Jurisdictional Research.

### MAPPING AND ANALYSIS

As part of the comprehensive review of Snohomish County's Land Use Permitting Process, Demarche Consulting Group worked with a nine-member "subject matter expert" (SME) team. The team consisted of representatives from the various permitting functions and responsibilities within PDS, as well as a representative from Public Works (see team members in the side bar).

The SME team, in conjunction with the engagement Project Management Team, identified the permit process to be mapped. It should be noted that several of the processes mapped are not "Land Use" permit processes.

These non-Land Use processes were mapped for several reasons:

- They use many of the same (staff) resources;
- They are often approached (staffed and measured) in the same manner as Land Use permits; and,
- They consume a majority of PDS's resources, as well as generate the majority of PDSs revenues.

Copies of the mapped process are at the end of the Findings Section of the report. The seven permitting processes mapped include: Single Family, Commercial, Platting, Short Platting, Final Platting, Conditional Use, and Construction to Certification of Occupancy.

The scope of mapping began with initiation of the specific process through completion (issuance of a permit/decision). While illustrating how each of the processes actually works, the purpose and

#### Mapping Team

##### Single Family and Code Enforcement

Neil Anderson, Counter Principal Planner

Mike McCrary, Senior Inspector, SFR Inspections

Holly Faller, SFR Site Review, PAC V

##### Commercial Use and Office of the County Fire Marshal

Sue Cezar, Section Supervisor

Tom Barnett, Sr. Planner, Commercial Plans Examination

Tony Peacock, Planner, Final Plats

Joe Hattendorf, R/W Use and Dev., Sr. Lead

Andrew Smith, Subdivision Engr. Sr. Plans Examiner

##### Public Works

Jim Fowler, Land Use Supervisor, Public Works.

method used for mapping also facilitated deeper analysis of each of these processes to summarize:

- ❑ The volume of work accomplished by each process;
- ❑ The quantity and type of resources required to accomplish the work of that process;
- ❑ The process performance problems as expressed by employees who work in the process;
- ❑ The process performance problems as expressed by customers and stakeholders who use and work with the process; and,
- ❑ The process performance criteria as identified by owners of the process.

## **FOCUS GROUPS**

As part of the comprehensive review of Snohomish County's Land Use Permitting Process, Demarche Consulting Group conducted four separate Focus Groups to gain direct feedback and direct input from a selected sampling of permitting process stakeholders. The engagement Project Management Team, organized four stakeholder sessions:

1. Applicants: a list of recent applicants was generated from the Amanda system. The session took place on July 10, 2002.
2. Professional Services Organizations (Engineers, Architects): a listing of frequent professional users was generated by the Project Management Team. The session took place on July 11, 2002.
3. Developers: a listing of known large development associations, including the master Builders Association, realtors, attorneys etc. frequent professional services organizations was generated by the Project Management Team. The session took place on July 15, 2002.
4. Community and Neighborhood Groups: the County Council constructed the invitation list, utilizing existing neighborhood and community groups mailing lists: The session took place on July 15, 2002.

The focus group mailing lists were finalized and approved by County Council. Each invitee identified was sent a copy of the invitation letter (see text box for sample letter).

The focus groups were structured to elicit stakeholders' opinions and perceptions regarding the permitting processes. Specifically stakeholder's input was solicited about their issues and concerns with the current processes, as well as their ideas for improvements. Findings from these meetings are included in both the Findings Section of this document and in the Appendices.

## **The Stakeholder Invitation Letter**

June 27, 2002

Re: Invitation to Attend ---- Focus Group on County Permitting Process

Dear Stakeholder:

In May of this year the Snohomish County Council approved a contract with the Demarche Consulting Group of Seattle for the purpose of reviewing and making recommendations to streamline the County's Land Use Permitting Processes. As part of this effort we are very interested in obtaining input from a variety of groups and individuals regarding their concerns and ideas for improvement.

As someone who has knowledge of, or experience with the County's permitting process, we are inviting you (or a representative) to attend a "focus group" with the consultants in July. The session will last approximately an hour and one-half and will include:

- An overview of the existing processes;
- Issues and concerns with the current processes; and,
- Open discussion of participants' ideas for improvements.

You have been scheduled for Group 4, on Wednesday, July 10, 2002 from 5:30 p.m. to 7:00 p.m. The meeting will be held in the Jackson Board Room on the 6<sup>th</sup> Floor of the County Administration Building, 3000 Rockefeller, Everett, WA. A map is enclosed for your convenience.

On behalf of the Council I encourage you to attend this session and share your thoughts with the consultants. Please RSVP to Demarche Consulting at 206.505.5808 no later than July 8. If you have questions about the study or the focus groups, please contact Marcia Isenberg, Council staff, at 425.388.3471.

Sincerely,

John Koster, Chair  
Planning and Community Development Committee  
Snohomish County Council

## ORGANIZATIONAL ANALYSIS OF PDS

The organizational analysis of PDS was designed to assess three key organizational issues.

1. The Department's commitment to a customer service culture;
2. The hiring criteria for staff reviewing permits; and,
3. The quantity and quality of training provided to staff members.

The assessment consisted of three separate components:

1. Individual interviews of over two dozen individuals within the County and PDS, as well as external to the County;
2. Review and analysis of job descriptions, training information and the performance evaluation processes, (**see Appendix B, C, D, E**); and,
3. Fielding and analyzing a training survey of land use permitting (**see Appendix F**).

Hiring competent and skilled employees is the first critical step in managing the Department's human resources, and once a person is hired, performance evaluation and training become complementary processes designed to maintain

and improve the skills and knowledge of the Department's employees. To determine if the education and private sector experience required for the permit reviewing staff is appropriate, the consultant team reviewed the minimum education and experience qualifications for the job classifications in the Commercial Land Use unit and conducted a survey of comparable positions in other jurisdictions. The evaluation is at a high level and is not comparable to a detailed classification study.

To assess the quantity and quality of external training provided to the Land Use permitting staff and a sampling of staff from other Department divisions that were identified in the mapping analysis, the consultant team analyzed Department training records and conducted an employee survey on training and critical skills. The training survey was distributed to about 85 staff members

### INTERVIEW LISTING

Steve Holt, Executive Office  
Faith Lumsden, PDS  
Gary Reiersgard, PDS  
Pam Miller, PDS  
Ray Allshouse, PDS  
Kamuron Gurol, PDS  
Randy Sleight, PDS  
John Roney, PDS  
Jim Powers, PDS,  
Vel Smith, PDS  
Teri Shields, PDS  
Peter Donohoe, Hearing Examiner  
Bob Backstein, Hearing Examiner  
Marty Standel, Performance Auditor  
Peter Hahn, PW  
Joan Lee, PW  
Karen Kerwin, PW  
Tina Rogers, PW  
Jim Fowler, PW  
Diana Dollar, EDC  
Gary Nelson, Council  
Dave Gossett, Council  
John Koster, Council  
Jeff Sax, Council

representing all the divisions, but most of the surveys (52) were distributed to staff in the Commercial Land Use unit. (The training survey form is included in the Appendix).

## **JURISDICTIONAL RESEARCH**

As part of the engagement, Demarche conducted jurisdictional research of other county permitting agencies, identified by Snohomish County. The four counties identified were:

- King County;
- Pierce County;
- Spokane County; and,
- Clark County.

The focus of the jurisdictional research was to identify the permitting practices and performance of these other counties. Research was conducted via Internet, staff-to-staff phone interviews, and electronic survey documentation. Additionally, Demarche Consulting Group coordinated site visits to:

- Pierce County, Planning and Land Services; and,
- King County, Department of Development and Environmental Services.

The results of the Jurisdictional Research are contained in the Findings Section of this report, and Information Sources and Data Sheets are contained in the Appendix of this report.

## **C. FINDINGS**

### **MAPPING AND ANALYSIS**

As described in the Methodology Section, the Demarche Consulting Group worked with a nine-member “subject matter expert” (SME) team to both identify and map the permit process described in this Section. Copies of the mapped process are at the end of the Findings Section. The seven permitting processes mapped include:

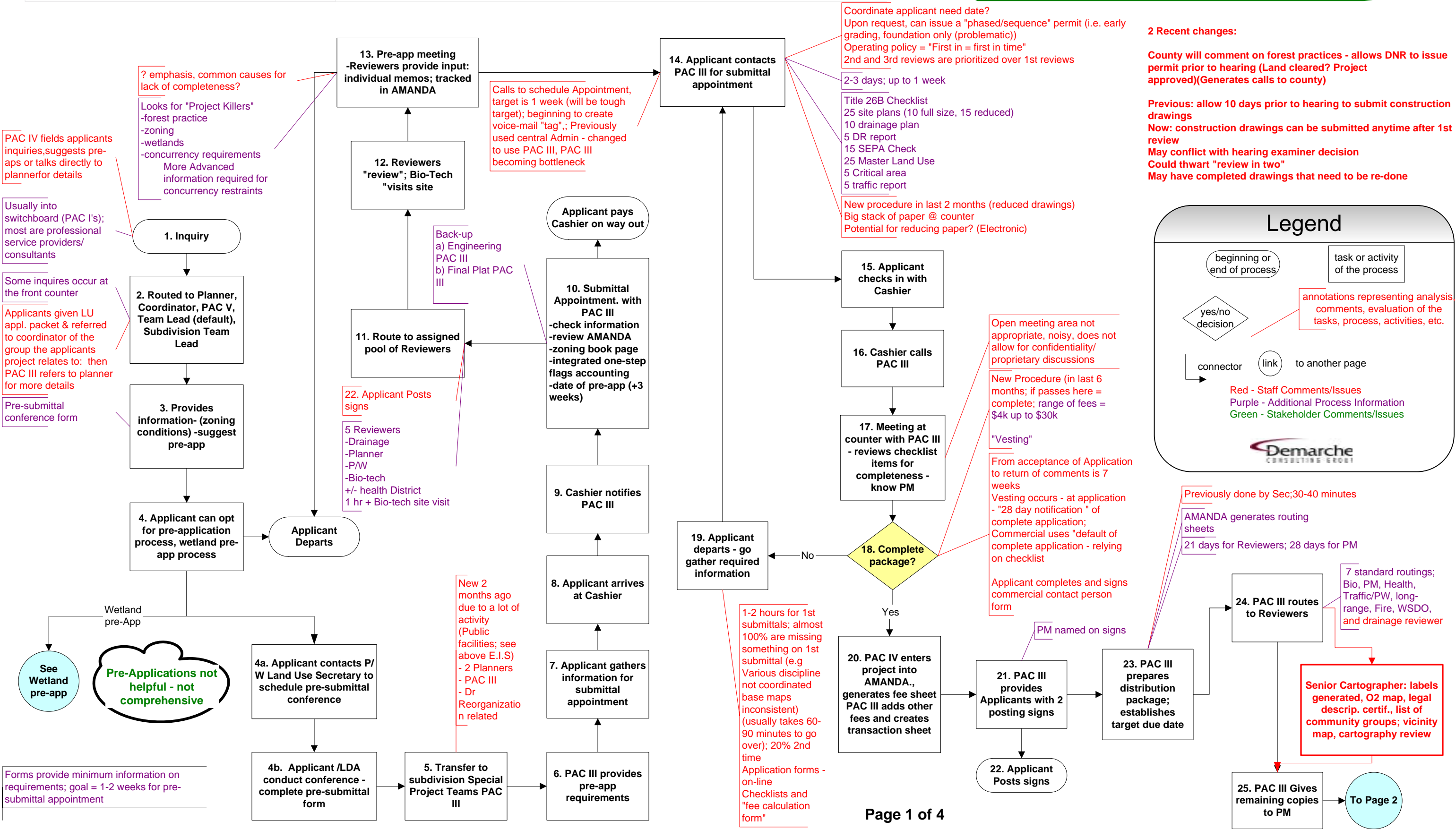
1. Single Family;
2. Commercial;
3. Platting;
4. Short Platting;
5. Final Platting;
6. Conditional Use; and,
7. Construction to Certification of Occupancy.

# Snohomish County - Conditional Use Process

(Reference numbers in task/boxes are for reference, not necessarily sequential)

Thursday, September 05, 2002

+Performance is improving, positive direction from new management  
+Locating Commercial within PDS organization has helped  
+PDS organization has made some positive incremental process improvements e.g. - improvement in the quality the level of plans being developed/submitted

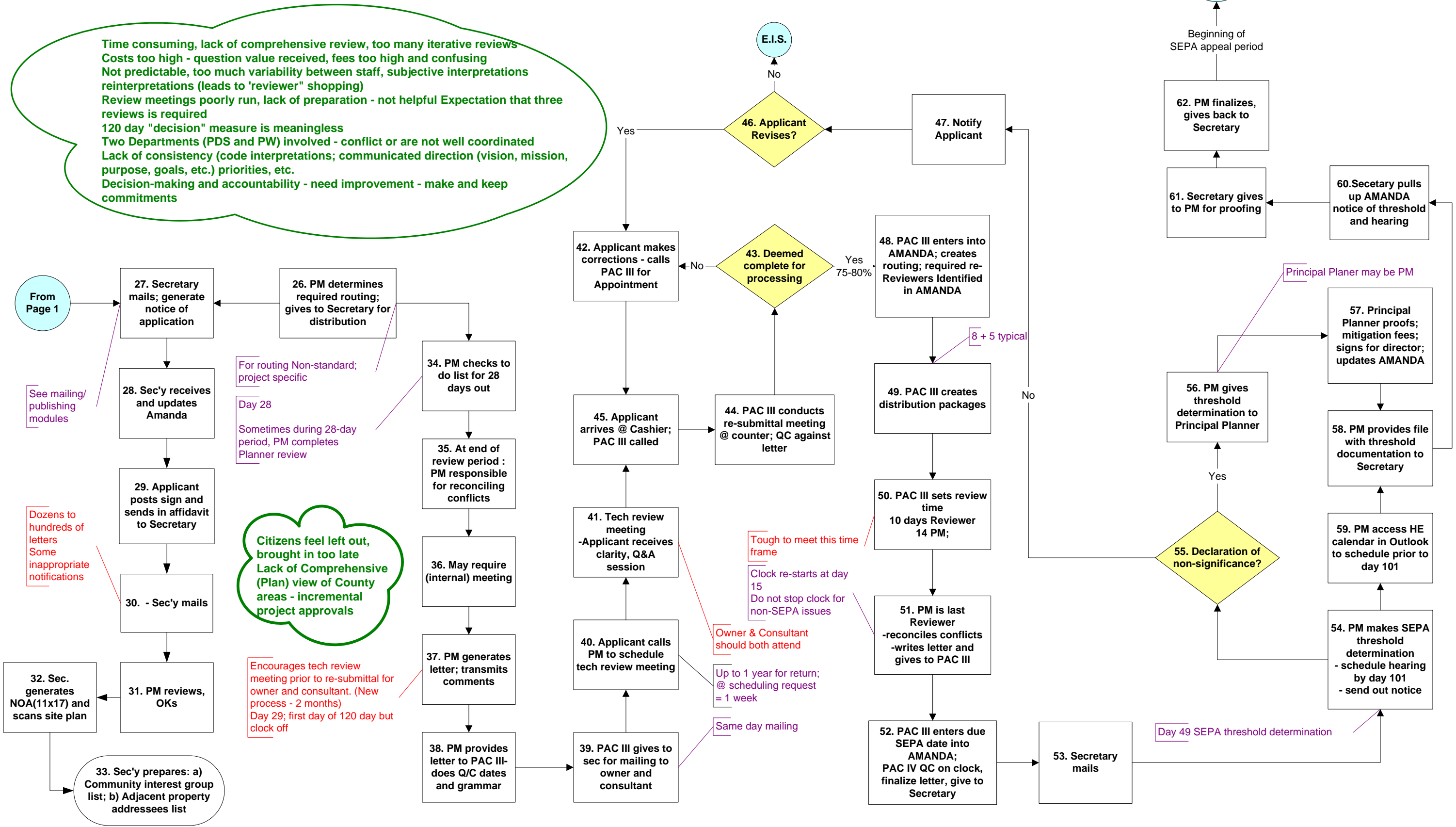




# Snohomish County - Conditional Use Process

Thursday, September 05, 2002

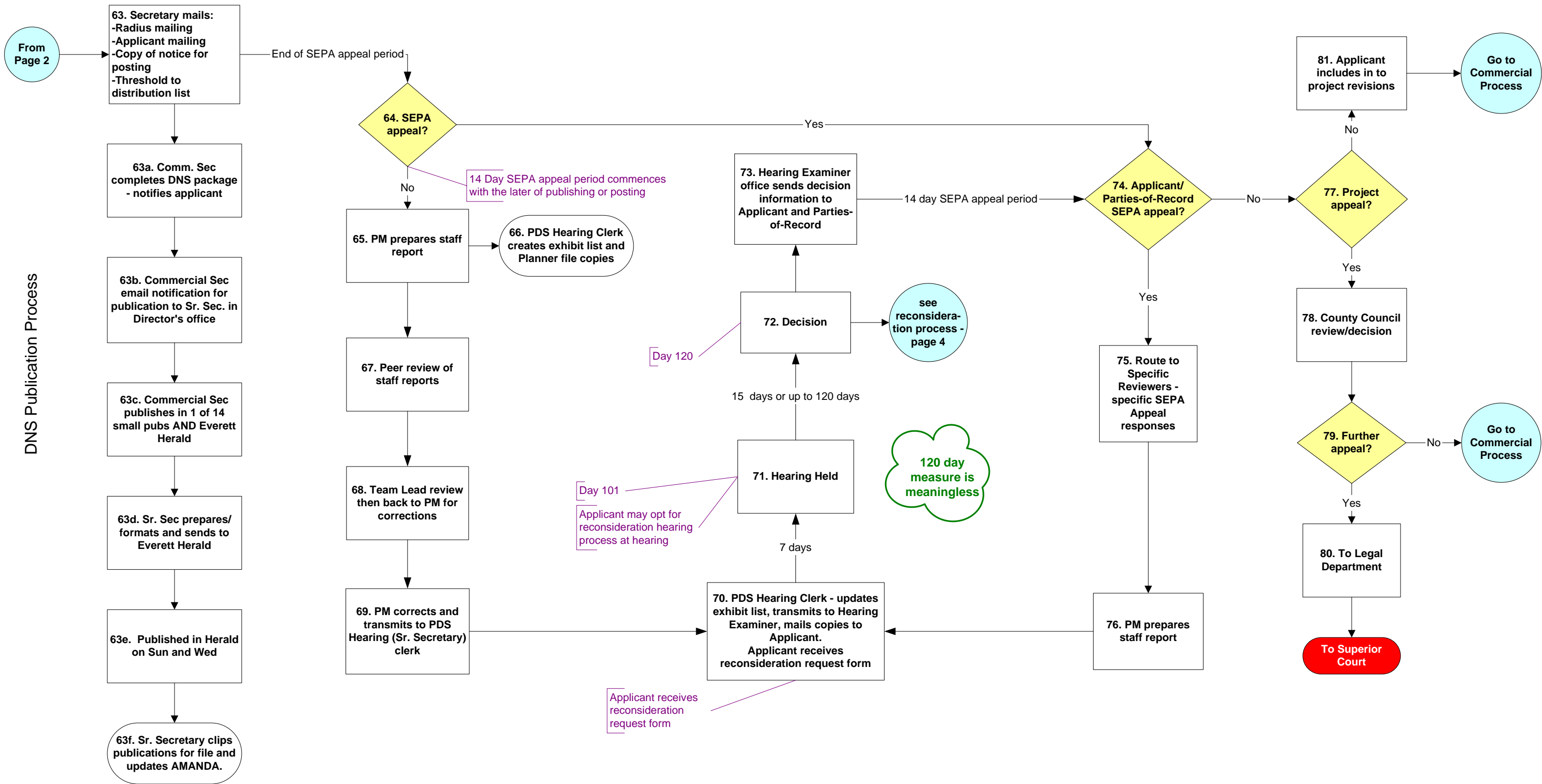
(Reference numbers in task/boxes are for reference, not necessarily sequential)



# Snohomish County - Conditional Use Process

(Reference numbers in task/boxes are for reference, not necessarily sequential)

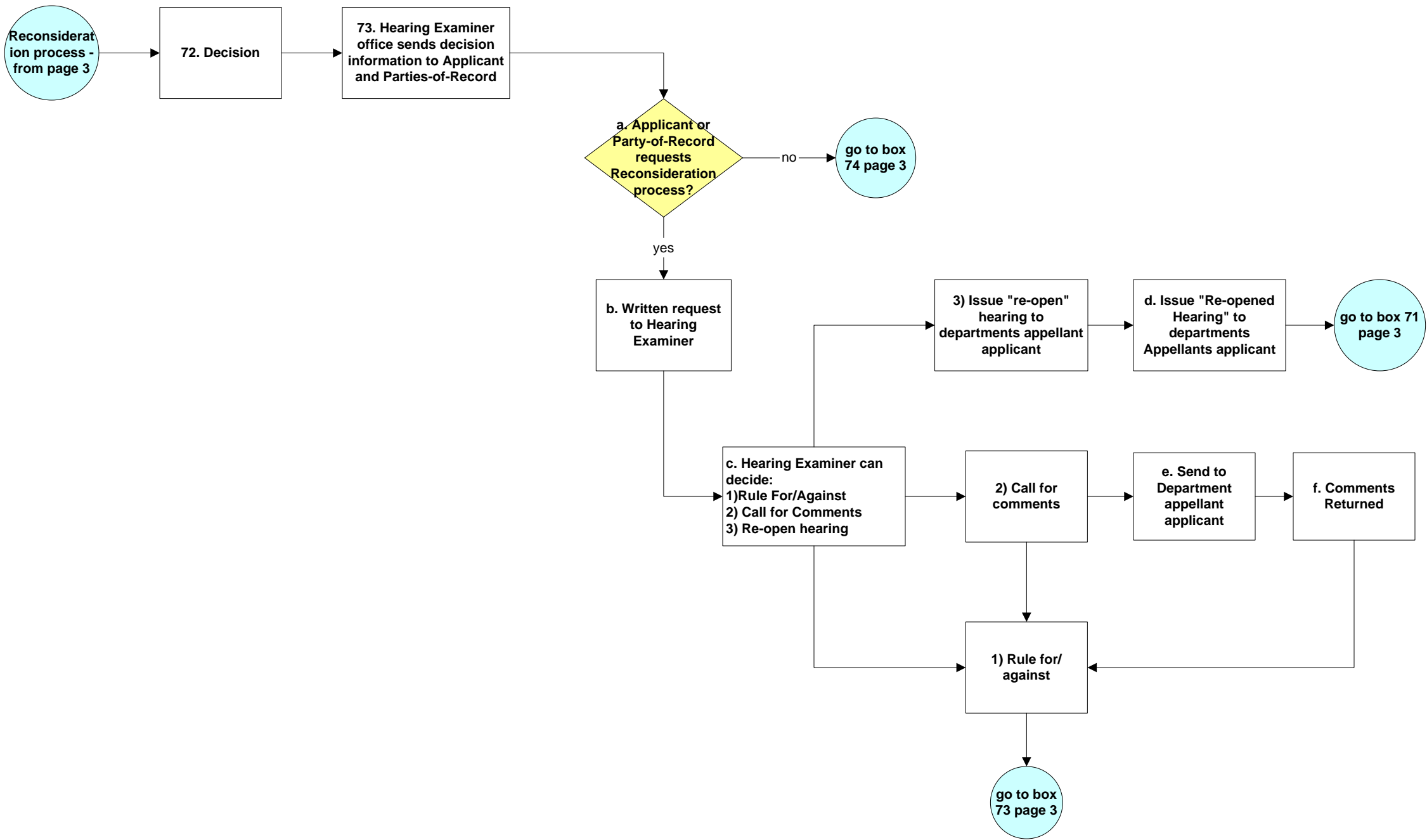
Thursday, September 05, 2002



# Snohomish County - Conditional Use Process

(Reference numbers in task/boxes are for reference, not necessarily sequential)

Thursday, September 05, 2002



The scope of mapping began with initiation of the specific process through completion (issuance of a permit/decision). While illustrating how each of the processes actually works, the mapping also facilitated deeper analysis of each of these processes to summarize:

- ❑ The volume of work accomplished by each process;
- ❑ The quantity and type of resources required to accomplish the work of that process;
- ❑ The process performance problems as expressed by employees who work in the process;
- ❑ The process performance problems as expressed by customers and stakeholders who use and work with the process; and,
- ❑ The process performance criteria as identified by owners of the process.

Mapping the business processes of the PDS organization was a foundational part of the assessment work. It allowed us to illustrate the extent to which PDS has in place those processes or group of activities needed to create an intentional value for customers, while attending to the mandate of a regulatory framework.

While we were able to identify a group of activities that are common among the mapped processes identified by PDS, it was challenging to assess the extent to which or how well these activities meet customer needs, or, to a lesser extent, attend to the mandate of regulatory control. These groups might be defined as activities of routing, review (both the two and three dimensional type), and code writing.

Activities of routing (plans paperwork and electronic files between individuals playing different “silo roles” within PDS and Public Works). None of these activities, alone, adds value to any of the identified end products that customers receive. They are only activities that are mechanisms of convenience for the PDS organization. These activities consume considerable internal resources in the form of staff, overhead (copies, filing, infrastructure), and measurement activities. Again, customers get no direct value. As mechanisms of convenience for PDS, these should be minimized, eliminated, and redesigned as much as possible.

Activities of review. These activities are valuable when they are an *organized group of related activities that create a result of value to customers*. In few cases were we able to identify a process of review, where the activities were:

- ❑ Well organized (e.g., little delay and only the needed review for that specific project happened);
- ❑ The review activities were related well (e.g., the right sequence of experts worked together on a specific project); and,
- ❑ The appropriate level of expertise brought both the customer and code (regulatory) perspectives.

Activities of code/regulatory change. These activities are of little direct value to customers, except when streamlining or simplifying regulations. Otherwise, the code writing represents activities that are part of a separate regulatory mandate. These current activities are, at best, ad hoc, uncoordinated, and do little to improve the existing processes. As such, these activities need to be organized and related so that:

- ❑ Code development is deliberate versus, ad-hoc. Appropriate skill and competency is brought to the task, so that writing and later interpretation of code is consistent;
- ❑ Activities of code simplification, improvement and revision is related to activities of coaching applicants and stakeholders, related to activities of reviewing plans and documents, related to inspection of buildings and developments, related to development of new codes, and related to process ownership, so that processes are integrated, aligned and error-proofed; and,
- ❑ Skill sets and competencies at code development activities need to also include an understanding of impacts on business processes, customer needs/value, and stakeholder expectations. Activities in code development should also address these broader impacts and issues.

We found, in our analysis, is an activity set we call *process ownership* missing. Process ownership deficit is defined as the situation where no one is focused on all the collective process steps as one unit. Process ownership is the way in which the abstract goal of putting customers and stakeholders first is turned into practical consequences. Process ownership is about deliberately *designing* a desired result.

## **SUMMARY OF PROBLEMS**

Problems with the current processes or group of activities that we have mapped are symptoms of poor process performance and of no process ownership overall:

- ❑ These processes are overwhelmed with overhead. The majority of resources are on activities that do not bring direct value to customers.
- ❑ These processes are beset by delays – there are few commitments to deliver results to customers anywhere near the time it actually takes to do the work involved. (Clock time versus calendar time). Processes beset by delays make it difficult to deliver results to customers in realistic time-frames.
- ❑ These processes are plagued by errors. Numerous correction cycles are built into the process, and almost all errors are attributed to the customer.
- ❑ These processes operate unpredictably and inconsistently. Changes in code amount to changes in the rules for getting a permit.
- ❑ Inconsistent expertise among staff, leads to results that can be confusing and unpredictable. The review process can appear to be arbitrary. This burdensome process leaves both staff and customers alike with the expectation that the results will be unsatisfactory.
- ❑ Processes are not aligned to customer focused outcomes. There is confusion about what services should be provided to customers, and why these services are part of the agency.

- ❑ The process owner is missing for all processes – this would be someone whose job it is to pay attention to the organization and relationship of all the activities in each process so that customers get results. Processes are not owned by anyone who ensures that all related activities lead to successful customer outcomes.

The SME Mapping Team identified some of their concerns and issues with the existing processes and systems. Below is a summary of some of the concerns and issues identified by the Team:

- ❑ The existing process/system seems to reward poor external performance. Consultants charge their clients by the hour for changes – many of which are their own errors; inappropriately “blaming” the work on the County;
- ❑ First time applicant (e.g. Mom’s and Pop’s) are unfamiliar with the complexity of permitting and engineering drawings;
- ❑ The RIF’s have affected adversely performance; e.g. lost two PAC V’s from the Permit Counter, and a biologist;
- ❑ The code is full of holes and conflicts. Code doesn’t mandate aesthetics (“can’t make ugly illegal”). This upsets community/neighborhood groups;
- ❑ Innovation and flexibility are very risky undertakings and sets precedents that are difficult to fulfill;
- ❑ The pendulum swings from management and politics make it difficult to do their jobs. One direction says no development/permits and the opposite direction says process all permits, cut corners/expedite; and,
- ❑ Stakeholders and applicants seem to be increasing their use of attorneys. This makes it difficult for PDS to keep up.

### **SINGLE FAMILY RESIDENTIAL PROCESS**

The Single Family Residential process is one that would be expected to be a prescriptive process, with little discretion or code interpretation involved. In this case, land use issues are expected to be resolved, and the process is about reviewing plans for suitability to meet building codes, which are largely standardized.

However, reviewing the mapped process, there appears to be a high level of discretion and code interpretation. This flexibility does not appear to be aligned with the purpose of the process.

Structurally, the parameters of this process should include:

- ❑ A measurement system of predictable performance parameters (designated cycle-time, limited correction cycles; reliability of review; consistency of interpretation, etc.);
- ❑ Customer service level agreements in terms of PDS time frame and customer service performance;
- ❑ Documentation of issues that arise for a lessons-learned process;
- ❑ Pre-certification of applicants who have a proven track records of reliable submittals; and,
- ❑ Minimum standards for the type of expertise needed to support this process.

## **COMMERCIAL PERMITTING PROCESS**

The Commercial Permitting Process is likely the most complex of all the processes mapped at PDS. As such, it represents the complexity, around which all the other processes seem designed around.

This process handled 338 permit applications for the period of January through June 2002 compared to the Single Family Residential Process which handled 1220 applications for the same period. However, the commercial process demands a significant amount of the resources in terms of staff and skill sets.

In terms of performance, this process is highly iterative, costly, time consuming, and prone to uncertain and unpredictable outcomes. Attempts to improve the process have not been well received by stakeholders. The benefit to customers is not well measured.

We would expect the process to include the following structural features:

- ☐ Effective coaching for customers before their application in order to eliminate iterations;
- ☐ Use of code writers and code experts to do the actual coaching;
- ☐ Coaching effectiveness is tied to acceptance of application and limited review and no correction cycles;
- ☐ Specific measures of customer satisfaction with the process (clarity of coaching, effectiveness of the process post-coaching) are in place;
- ☐ Costs to provide the coaching services are available; and
- ☐ Performance standards are specified out and guide the implementation of codes and their effect on the process.

## **PLATS PERMITTING PROCESS**

The new plats, short plats, and final plats processes represent complex land use discretionary decisions, and public involvement comment periods. For the period of January through June 2002, Snohomish PDS handled 16 new plat permit applications, 17 short plats permit applications, and 17 final plats applications.

Given the highly discretionary nature of the code interpretation, public involvement and environmental factors, we would expect to see this process designed with the following structural features:

- ☐ Effective coaching for customers before their application in order to eliminate iterations;
- ☐ Use of code writers and code experts to do the actual coaching;
- ☐ Coaching effectiveness is tied to acceptance of application and limited review and no correction cycles;
- ☐ Specific measures of customer satisfaction with the process (clarity of coaching, effectiveness of the process post-coaching) are in place;



- ❑ Costs to provide the coaching services are available; and
- ❑ Performance standards are specified out and guide the implementation of codes and their effect on the process.
- ❑ Skill and competency development of staff in community outreach, communication and coaching.

### **CONDITIONAL USE PERMITTING PROCESS**

The Conditional Use Permitting Process is intended to provide an avenue for applicants to apply for a permit to use their property under conditional use terms. The applicants understanding of a need to apply for this type of permit requires that they research the department published guidelines, review of state and county codes, or participate in coaching by the staff of PDS.

It should be noted that both the staff and customer groups indicate that determining the type of permit is often not an obvious or clear-cut decision. As a result, it was equally difficult to determine which applications would *require* coaching, interpretation, and iterative review by staff who were *authorized* to interpret code, write code or rewrite code.

Given these environmental factors, we would expect to see this process designed with the following structural features:

- ❑ Effective coaching for customers before their application in order to eliminate iterations;
- ❑ Use of code writers and code experts to do the actual coaching;
- ❑ Coaching effectiveness is tied to acceptance of application and limited review and no correction cycles;
- ❑ Specific measures of customer satisfaction with the process (clarity of coaching, effectiveness of the process post-coaching) are in place;
- ❑ Costs to provide the coaching services are available; and
- ❑ Performance standards are specified out and guide the implementation of codes and their effect on the process.

The Conditional Use Permitting Process took in 13 applications for conditional use permits during the period of January through June 2002. Those submittals were put through a lengthy review and corrections process. There is a record of numerous correction cycles (25% of all applications take three or more correction cycles, and 75% take at least 2 cycles). This indicates that the process that is highly iterative, requiring numerous attempts on the part of both applicants and staff to “get it right enough” to issue a permit. These iterations are extremely costly for both the applicant and PDS. It is not clear that the iterative work adds value to the application or final permit, since there appears not to be a “learning process” whereby iteration work is eliminated. Each project requires a similar reinvention of the “rules”.



## **PRE-CONSTRUCTION TO CERTIFICATE OF OCCUPANCY PROCESS**

The Pre-Construction to Certificate of Occupancy Process is one that would be expected to be a highly prescriptive process, with little discretion or code interpretation involved. In this case, land use issues are expected to be resolved, and a building permit likely has been issued. The purpose of this process is to ensure that the construction happens according to the approved permits. This is the transfer of the code compliance from the two-dimensional world of drawings and documents to that of the three-dimensional world of structures, geography and environment:

The Pre-Construction to Certificate of Occupancy process handles 97 temporary C of O permits during the period of January through June 2002.

Given the expectations that the prescriptive process should be straightforward, this process should have the following structural parameters:

- ❑ A measurement system of predictable performance parameters;
- ❑ Customer service level agreements in terms of PDS time frame performance;
- ❑ Documentation of issues that arise for a lessons-learned process; and,
- ❑ Minimum standards for the type of expertise needed to support this process.

## **FOCUS GROUPS**

### **SUMMARY OF FINDINGS**

Four separate Focus Groups were held in July, 2002, Demarche Consulting Group, Inc. conducted there session to gain direct feedback and input from a selected sampling of permitting process stakeholders. The session were organized to get the perceptions from stakeholders and customers. Participants represented the following groups:

- Applicants: A list of recent applicants was generated from the Amanda system. The session took place on July 10, 2002.
- Professional Services Organizations (Engineers, Architects): A listing of frequent professional was generated by the Project Management Team. The session took place on July 11, 2002.
- Developers: a listing of known large development associations, including the master Builders Association, realtors, attorneys, etc. frequent professional services organizations, was generated by the Project Management Team. The session took place on July 15, 2002.
- Community and Neighborhood Groups: The County Council constructed the invitation list, utilizing existing neighborhood and community groups mailing lists. The session took place on July 15, 2002.

The focus group mailing lists were finalized and approved by County Council. Each invitee identified was sent a copy of the invitation letter (see methodology Section).

The focus groups were structured to elicit stakeholders' opinions and perceptions and experiences with the permitting processes. Specifically stakeholders' input was solicited about their issues and concerns with the current processes, as well as their ideas for improvements.

The sessions yielded strong opinions and overall dissatisfaction with the existing permitting processes. While the stakeholder focus groups were not intended to be a statistically valid "survey" of the permitting process customers. They did provide a compelling set of issues and concerns of which Snohomish County should take note. These stakeholder "perceptions" are their reality, and represent the perceptions of regular customers and stakeholders. <sup>2</sup>

The following pages report the general themes identified as a result of the four Focus Groups held in July. The comments and input received from the Focus Groups have been organized into five categories: Positive Comments, Process Issues, Management Issues, Staff Issues, and Regulatory Issues.

### **POSITIVE COMMENTS**

- Performance is improving, positive direction from new management.

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<sup>2</sup> Exhibit A – Appendix - Focus Group verbatim comments – enclosed zip disk

- Locating Commercial within PDS organization has helped.
- PDS recent changes have improved the level of plans being developed/submitted.

#### **PROCESS ISSUES**

- Process is time consuming. There is a lack of comprehensive review, and too many iterative reviews.
- Costs and value of service received is misaligned.
- Twenty-eight day “Completeness” and 120 “Decision” measures are not meaningful.
- Process is not predictable, and there is too much variability.
- Citizens feel left out, and brought in too late.
- When two Departments (PDS and PW) are involved there is conflict, or they are not well coordinated.

#### **MANAGEMENT ISSUES**

- There is an obvious lack of consistency in priorities, code interpretations and communicated direction (vision, mission, purpose, goals, etc.).
- Decision-making and accountability need improvement.
- Known poor staff performance is not dealt with.

#### **STAFF ISSUES**

- There are some adversarial attitudes/approaches. Some staff not customer service oriented, or oriented to problem solving.
- The skills and training of PDS do not match the required roles and functions.

#### **REGULATORY ISSUES**

- There is a lack of a Comprehensive Planning view of County areas. The results is that incremental projects get approvals.
- The Code complexity and conflicts are increasing, not decreasing.

These comments, in summary form were placed on the process maps, reviewed with the subject matter experts, and evaluated for their value in helping us understand current process performance. Summary comments from stakeholders are shown on the process maps in green, with staff comments about those stakeholder views noted in red where appropriate.

## ORGANIZATIONAL ANALYSIS OF PDS

The organizational analysis of PDS was designed to assess three key organizational issues.

- The Department's commitment to a customer-service culture;
- The hiring criteria for staff reviewing permits; and,
- The quantity and quality of training provided to staff members.

The assessment consisted of three separate components, the results of which are described in this Section:

- ❑ Individual interviews of over two dozen individuals within the County and PDS, as well as external to the County;
- ❑ Review and analysis of job descriptions, training information and the performance evaluation processes, (**see Appendix B, C, D, E**); and,
- ❑ Fielding and analyzing a training survey of the land use permitting group (**see Appendix F**).

More about the methodology, interview participants and approach can be found in the Methodology Section. Overall, our review identified the following issues and findings.

- ❑ PDS does not survey its customers and stakeholders to track satisfaction with PDS performance. Comment cards are available for customers, but tracking and responding to cards is informal, sporadic, and not documented.
- ❑ PDS processes and informational materials are internally focused. For example, the emphasis is on what the customer must do to gain service from PDS – not what PDS will or does do for customers (internal perspective, versus external).
- ❑ The permit counter area is not customer friendly, and wait times can be lengthy. PDS has reduced the number of staff available at counter.
- ❑ PDS performance measures are internal and are not meaningful measures from customer's perspectives.
- ❑ The Department has job performance criteria that specifically address customer service and related job skills that affect customer service (e.g. interpersonal skills). However, the formal job performance evaluation process is not consistent and timely to ensure that the staff has adequate feedback on their performance and guidance on how to improve their overall performance and customer service.

## ORGANIZATIONAL INTERVIEWS

During the engagement, over two-dozen individuals within Snohomish County were interviewed (see Methodology for a listing of those interviewed). Repetitive themes and issues identified during these interviews fell into three categories; management/staff issues; performance issues; and, organizational issues.

### MANAGEMENT/STAFF ISSUES

- ❑ PDS has many committed and competent staff. Because they want to do their jobs well they often have to avoid or circumvent the process. It was also frequently mentioned that there are a few "known" bad employees, but supervision/management has not

effectively dealt with the performance issues. The most frequently cited rationales were the difficult personnel system, or supervision/management ability or inclination to follow through to resolve problem employee situations. One staff person summarized this situation as PDS has many “invisible professionals” and a few “visible unprofessional staff.”

- ❑ PDS has gone through two consecutive years requiring a Reduction In Force (RIF). This has negatively affected morale and resulted in some movement (bumping) of personnel into poor job fits.
- ❑ There is a perception that some staff lack empathy for customers/developers. A monopoly or government mindset is often referenced. A lack of a sense of urgency or understanding that time is money and that weeks of time cost real dollars to applicants.
- ❑ PDS has grown most of its staff internally through long tenure. While this has some positives, the negatives cited during interviews include the perception that secretaries have become reviewers without formal qualifications, resulting in external “Professional Engineers and Surveyors not valuing/respecting their input.”
- ❑ PDS staff cite dramatic and regular “swings of the pendulum”. They are “directed” to be pro-development now by expediting permits, but historically there has been more anti-development direction. There is little common agreement or understanding on who PDS’s customers are: County Council, Citizens, Applicants, or Neighborhoods.
- ❑ Staff reports used to be one page and have now become burdensome and complex. There is a lack of quality control of staff reports. There is a large degree of variability. Staff reports seem to emphasize the standard pro-forma requirements at the expense of substantive analysis or information. Additionally, there is too much variability of staff performance at the Hearing. PDS should improve staff presentation skills and preparation for Hearings.

## PERFORMANCE ISSUES

- ❑ The 120-day decision-issuance requirement (RCW 36.70A, State Growth Management Act, Snohomish County Code 32.5 “Permit Processing”) is supposed to be a time-frame for decisions on permits. PDS tracks the “clock” via the Amanda system, and in 2002 is currently fulfilling the 120-day requirement on 64.5% of applicable permits. PDS Bulletin # 56 contains the following information: *“The 120-day clock is only ticking when we are actively working on processing your permit. There may be times when the 120-day clock stops, extending the overall length of time your application may take to be processed. This is usually when something out of our control needs to happen before we can continue processing. For example, any time you have been asked by the County to correct plans, perform required studies or provide additional information, the clock stops until you comply.”* Most counties are not using this as a meaningful performance measure. This measure is not meaningful to Applicants.
- ❑ PDS has implemented several incremental improvements to the permitting processes over the last one to two years:
  - “Review In Two.” This was an initiative in response to the Master Builders requesting more expedited turn around of permits. This represents an emphasis in eliminating a third review cycle, with the intent of improving 120-day clock performance. Year-to-date performance on the 2002 review in two is that 75% are completed with fewer than three correction cycles.
  - The applicant and their professional consultants are brought to the table during intake, allowing all parties to hear the same thing at the same time. PDS staff believe this has resulted in consultants submitting higher quality plans.

## **UDC INITIATIVE**

Snohomish County has been working on a Unified Development Code (UDC) initiative for several years. The UDC is a proposed remodel of the Snohomish County development codes. The intent is to streamline and simplify land use regulations by:

- ❑ Restructuring and consolidating existing regulations into logically organized Sections;
- ❑ Removing duplications, conflicts, outdated provisions in codes and clarifying ambiguities;
- ❑ Making codes internally consistent, easily readable, cohesive, computer accessible, user friendly and legally defensible;
- ❑ Using illustrations, graphs, matrices, and diagrams where appropriate in codes; and,
- ❑ Accommodating future code amendments within a logical framework.

## **ORGANIZATIONAL ISSUES**

Organizational issues identified through the interviews are summarized in the following three issues:

- ❑ PDS, the Executive Office and the County Council do not communicate well with each other. PDS is often on the defensive;
- ❑ PDS has gone through two consecutive years requiring a Reduction In Force (RIF). In addition, the organizational structure of the department has changed in conjunction with and because of the budget reduction. The organizational changes are very reactionary; and,
- ❑ PW and PDS have a history of working in silo's, and not cooperating with each other. There have been some positive improvements in PW and PDS cooperation, but there are still symptoms of silo's, indicated by:
  - PW and PDS used to meet weekly, but now only monthly or less frequently;
  - PW feels PDS blames them for holding up permits in process;
  - PW provides comments to PDS. PDS provides these comments to the applicant/developer. If follow-up is required, the applicant/developer goes directly to PW;
  - PW is dissatisfied with approved plans. Often projects are not built per plan. Further, there is not a lessons-learned process reviewing punch list items, which results in repeated errors; and,
  - SWM Advisory Committee published their final report on June 20, 2002. One of the nine recommendations they made was to improve the collaboration between SWM/PW and PDS. Recommendation #6: Relationship between SWM/PW and PDS, particularly in regards to UGA planning and prevention of future drainage problems, contains six theme statements, each with potential implementation actions.

## COMMITMENT TO A CUSTOMER SERVICE CULTURE

The review of the Department's commitment to a customer service culture involved determining the quality of customer service currently being provided and identifying job performance criteria emphasizing customer service.

Employee performance evaluations include job performance criteria that address customer service in several different ways, but two different performance evaluation forms are used in the Department. The two forms are quite different. One form has specific evaluation categories that have detailed definitions and expectations for each category, while the other form is more general in nature and refers only to broad productivity and "human dimension" qualities, skills, and behaviors.

The more detailed performance evaluation form has a specific customer service category, and defines customer service as follows:

"Maintains good public relations. Takes the extra step to help with resolution of problems in a considerate, helpful, and courteous manner. Recognizes politically sensitive issues and responds accordingly."

"Considerate" is defined as mindful of the needs and feelings of others. Service requires listening skills, taking the time to "draw out" the customers concerns so that true two-way communication is taking place; then providing the customer with correct information and solutions. Further, service often involves providing the customer with possible options (i.e. working with the customer).

Employee follows an organized system of supplying service that is consistent, courteous, and respectful. His/her manner reflects a positive attitude regarding County service and demonstrates knowledge of services offered.

A note on the form to the above customer service category refers to an Executive Office Memorandum that describes customer service as returning calls in a timely manner within 24 hours, updating voice mail greetings regularly, avoiding the use of voice mail as a call screener, and answering the phone. In discussing the customer service category with team leaders in the Division for Commercial Land Use and Office of the County Fire Marshall, some employees focus on the returning of phone calls within 24 hours as the sole criteria for good customer service rather than the qualitative aspects of the customer service definition.

Other evaluation categories that affect customer service include the following categories and general definitions from the more detailed evaluation form.

- **Timely** – Responds to all inquiries and makes decisions within Departmental guidelines.
- **Accuracy** – Strives for accuracy and thoroughness, promoting confidence and credibility.
- **Interpersonal Skills** – Works effectively with others. Is considerate, honest, and forthright. Seeks to resolve conflicts with win-win solutions.

- **Intra-Departmental Relations** – Supports and encourages Departmental efforts and goals. Works effectively with others. Cooperates with new policies, procedures, and goals.
- **Courteous/Helpful** – Demonstrates a positive attitude. Gives clear direction to anyone desiring assistance. Responds to adversarial conditions with a positive and courteous attitude.

The other performance evaluation form does not have specific customer service criteria, but uses criteria that are more general and that are oriented toward productivity and “human dimension” qualities. Criteria that are related to customer service in this evaluation form include quality of work and human dimension qualities such as being positive, respectful of others, open and honest, trusting, flexible, and able to deal with conflict appropriately. This form was originally developed for the Long Range Planning Unit before the unit became part of PDS, and now other PDS units are using the performance evaluation form.

Although the Department does address aspects of customer service in its evaluation forms, performance evaluations may be done on either form. In addition, because both of the evaluation forms require some time to prepare, the former Department Director authorized three years ago the use of a shorter form called the SST Performance Coaching Grid. Every other year, the SST could be used instead of the other two forms. The SST form does not address specific skills, but can be used to supplement the other two evaluation forms. As a result, there is a lack of consistent evaluation of employees on customer service skills and performance. According to the Department’s Administrative Coordinator, many of the Department’s supervisors are using the SST form, but the evaluations are not being done thoroughly by including agreements and action to be taken by the employee and supervisor.

Formal employee performance evaluations are required annually, but the Department’s performance evaluations are not being done in a timely manner. Most employees have not had a formal performance evaluation since 2000. Based on the Department’s database on the most recent evaluation for each employee, 63% of all the employees have not had an evaluation since 2000. No performance evaluations have been completed in 2002, and for another 20% of the employees, there is no record of the last performance evaluation given to the employee. For the 52 employees involved with land use permitting in the Commercial Land Use and Office of the County Fire Marshal Division, the percentage of employees that have not had a performance evaluation since 2000, is much higher than the rest of the Department staff. About 82% of those employees have not had a performance evaluation since 2000, compared to only 56% for the rest of the Department’s employees. About 11% of the land use employees (6) have not had an evaluation since 1998, or earlier. Exhibit A shows the distribution by year of the most recent performance evaluations for the land use staff and the Department as a whole.



**Exhibit A**  
**Number of Most Recent Performance Evaluations by Year**

	<b>No Record of Performance Evaluation</b>	<b>1998 or earlier</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>Total</b>
<b>Land Use Staff Only</b>	5	6	7	30	4	-	<b>52</b>
<b>All Other PDS Staff</b>	37	12	41	35	31	-	<b>156</b>
<b>Total</b>	42	18	48	65	35	-	<b>208</b>

	<b>No Record of Performan ce Evaluation</b>	<b>1998 or earlier</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>Total</b>
<b>Land Use Staff Only</b>	10%	11%	13%	58%	8%	-	<b>100%</b>
<b>All Other PDS Staff</b>	24%	8%	26%	22%	20%	-	<b>100%</b>
<b>Total</b>	20%	9%	23%	31%	17%	-	<b>100%</b>

With the Department's reductions in force during the past two years, reorganizations, and the change in some Division managers, the Department has not put an emphasis on completing the annual performance evaluations. Performance evaluations are not related to the compensation system, the purpose of annual performance evaluations is to provide formal feedback and documentation on employee performance, to plan and identify training needs and job goals, and to develop corrective action plans, if necessary. Based on interviews with the land use supervisors and team leaders, informal coaching and mentoring do occur during the year to help employees improve their job performance, even though a formal annual performance evaluation may not have been completed. In addition, if an employee's performance merits disciplinary action, such an action is not necessarily part of the annual performance evaluation process and may occur at any time during the year. A performance evaluation may, however, provide feedback on an employee's performance subsequent to a disciplinary action.

During the stakeholder process, poor staff performance was raised as one of many issues that the Department should resolve. The Department has processes to identify and resolve issues with employees not satisfactorily performing their jobs. Besides disciplinary actions and probationary periods, the annual performance evaluation process is the only other means available to the Department's management to document and take action on poor performing employees. Generally, if an employee is performing poorly over a period of years, annual performance evaluations should note the specific poor performance areas and the expectations for improvement. The instructions for the detailed performance evaluation form even state that if a

problem were not noted in the review it would be difficult to demonstrate in the future that there was an ongoing problem.

The different evaluation forms, the supervisory span of control, the County's labor agreement and the lack of clear performance measures and criteria all affect the Department's ability to conduct a timely and consistent annual performance evaluation process.

Because of the organizational structure of the Commercial Land Use and Office of the County Fire Marshal Division and the Department's labor agreement, the span of control in the division is quite high for conducting performance evaluations. The primary supervisor for the land use permitting process is responsible for 20 staff, and the Division Manager is responsible for 33 land use related staff plus another 9 staff in the Fire Marshal's Office. To manage the work, the Department created three team leaders that report to the Section Supervisor and four team leaders that report to the Division Manager. Although this organizational structure appears appropriate for managing the day to day operations, it creates a large span of control for the Section Supervisor and the Division Manager for the performance evaluation process. Because the team leaders are in the same labor union as the staff they supervise, their role in performance evaluation is effectively limited.

In the team lead job description, one of the essential functions of the position is to do the following.

*“Assign, supervise and evaluate the work of professional, technical and support staff as required; advise, assist and train subordinates as necessary; participate in the selection of new employees, and make recommendations regarding the hiring, discipline, transfer, and termination of subordinate employees.”*

Because of the County's labor agreement with the Washington State Council of County and City Employees, AFSCME, Local 109-E, team leaders are not allowed to select new employees and recommend the hiring, discipline, transfer, and termination of subordinate employees. Thus, the Section Supervisor or the Division Manager must be assume an important part of the team leader's role.

The County's labor agreement states that team leads are not to perform supervisory functions involving discipline, hiring, and firing but that team leads may do performance evaluations provided the team lead is not party to a disciplinary action. Even though the team leads may do performance evaluations, there is natural reluctance to formally provide negative comments that could result in disciplinary action or poor performance evaluations of fellow union members. Team leaders do, however, see their role as a coach and mentor to help staff improve their performance, and they informally evaluate their staff and work with them to improve their skills and performance. Consequently, the Section Supervisor and the Division Manager, who may not be as aware as the team leader of an employee's daily performance, must do the formal annual performance evaluations. Unless information comes directly to the Section Supervisor and Division Manager from actual praises or complaints about employees or from actual working experience with an

employee, the quality of performance evaluations may be limited, especially in identifying and documenting employees that perform poorly or below the position's standards.

## **HIRING QUALIFICATIONS**

The employees involved with the land use permitting processes occupy several job classes that have different levels of responsibility and expertise. The employees occupy positions that are part of a series five primary job classes: Planner, Biologist, Plans Examiner, Inspector, and Permit Assistance Coordinator (PAC). The following exhibits show the education and experience requirements.

### **Exhibit B. Planner Series**

<b>Classification</b>	<b>Education Requirement</b>	<b>Experience Requirement</b>
Section Supervisor (Spec # 1096)	Masters Degree in planning, public administration, or engineering	Five years of experience in the field with two years of senior or supervisory experience
Principal Planner (Spec # 3213)	Masters Degree in urban planning, environmental studies, geography or related field	Three years of experience in planning work related to the specific requirements of the position, including two years of supervisory experience
Senior Planner (Spec # 3199)	Masters Degree in planning or related field	Two years of planning experience
Senior Environmental Planner (Spec # 3199)	Masters Degree in urban planning, environmental studies, geography or related field	Two years of environmental planning experience
Planner (Spec # 3211)	Bachelors Degree in planning or related field, or graduation from a two year vocational program in land surveying technology, or an Associates degree in physical or natural science and	Two years of planning experience or two years of field party chief experience in boundary, topographic and construction surveying
Associate Planner (Spec # 3212)	Bachelors Degree in planning, environmental studies, geography or related field	None

### **Exhibit C. Biologist Series**

<b>Classification</b>	<b>Education Requirement</b>	<b>Experience Requirement</b>
Senior Biologist (Spec # 2210)	Masters Degree	Two years of experience in biology, ecology, environmental science or natural resources
Biologist (Spec # 2180)	Bachelors Degree in biology, ecology, environmental science or natural resources	Two years of environmental regulatory or environmental planning experience

Biology Technician (Spec # 3001)	Associates Degree in biological sciences including specific course work in fisheries biology, zoology, botany, computer sciences, hydrology, or related course work	One year of work experience as a crew leader of a stream restoration project
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**Exhibit D.  
Plans Examiner Series**

<b>Classification</b>	<b>Education Requirement</b>	<b>Experience Requirement</b>
Senior Plans Examiner (Spec # 3201)	Bachelors Degree in civil engineering or related field	Four years of professional experience
Plans Examiner (Spec # 3200)	Bachelors Degree	Two years of building inspection experience

**Exhibit E.  
Inspector Series**

<b>Classification</b>	<b>Education Requirement</b>	<b>Experience Requirement</b>
Senior Site Inspector (Spec #2177)	None	Six years of construction inspection experience
Site Inspector (Spec #2176)	None	Three years of construction inspection experience

**Exhibit F.  
Permit Assistance Coordinator Series**

<b>Classification</b>	<b>Education Requirement</b>	<b>Experience Requirement</b>
Permit Assistance Coordinator V (Spec # 6213)	Bachelors Degree in urban planning or geography	Three years of experience in planning, surveying, or civil engineering
Permit Assistance Coordinator IV (Spec # 6211)	Bachelors Degree in urban planning or geography	Two years of experience in planning, surveying, or civil engineering
Permit Assistance Coordinator III (Spec # 6210)	Associate Degree in urban planning or geography	One year of experience in planning, surveying, or civil engineering, or three years of planning, surveying, or civil engineering instead of Associates Degree
Permit Assistance Coordinator II (Spec # 6209)	None	Two years administrative experience, plus one year of experience in PDS
Permit Assistance Coordinator I (Spec # 6208)	None	Six months basic office experience

In general, as job responsibilities increase and become more complex, the minimum qualifications in education and work experience also increase. In most cases, additional years of work experience can be substituted for a higher degree, such as two years of additional experience to substitute for a Masters Degree. Most of the professional and technical staff in the Commercial

Land Use unit occupies senior classifications. Twelve out of fifteen planners are Senior Planners, and the five Plans Examiners are all Senior Plans Examiners. Four of the five Senior Site Inspectors are part of the Commercial Inspections team, while all the Site Inspectors are part of the Right of Way Use and Development Inspections team. The Permit Assistance Coordinators are spread among the Commercial Land Use unit teams. There are two PAC I's, five PAC IIIs, and one PAC IV.

Without conducting specific job audits, the educational requirements seem appropriate. The more senior positions require more advanced education or more experience in lieu of advanced degrees. After reviewing the minimum experience requirements, the work experience for Senior Planners does not provide much of a distinction between a Planner position and a Senior Planner. Both job classes require only two years of work experience. A Senior Planner's job duties, however, include several major responsibilities and skills as a project manager, such as conducting technical review meetings with applicants and other affected parties and negotiating project design as appropriate. Such project management and negotiating skills are generally gained through more than two years of experience and through actual project management experience.

Compared to the other senior positions in the unit, the Senior Planners have the lowest experience requirement. For the Senior Plans Examiner and Senior Site Inspector, more years of experience are required. A Senior Plans Examiner must have four years of experience, while a Senior Site Inspector must have six years of construction inspection experience. If the Department wants to hire more experienced Senior Planners, the experience requirement should be increased to at least three years, and the experience should include work as a project manager. This would also mean changing the Principal Planner's experience requirements to possibly five years of experience with the current two years of supervisory experience.

Private sector experience is another issue regarding work experience requirements. The position descriptions do not distinguish between public and private sector experience. For some job classes there may be private sector jobs that are similar or that contribute to a person's work experience for a position in the Commercial Land Use unit. Regulating land use is, however, only a public sector function, and work experience on specific aspects of the positions can only be obtained by working for a local government. Working as a planner in a consulting firm that prepares and submits land use applications can provide work experience appropriate for Department positions, but working in another local jurisdiction or in the Department reviewing such applications provides more realistic and practical work experience.

The County's use of broad job classifications can create problems in identifying the most qualified applicants. Because the job classifications are very broad and actual duties and responsibilities can vary, some classifications have a broad range of minimum work experiences. For example,

the Permit Assistance Coordinators' work experience requirements include a range of different experiences from planning, surveying, and civil engineering. These experience requirements are quite different. As a result, a position that specifically works in land use planning may have qualified applicants that have no experience in land use planning. At the Senior Planner level, similar problems can occur even though the work experience is in "planning". The Department has a need for different types of planning expertise that include comprehensive planning as well as technical SEPA and regulatory land use review. With the generic Senior Planner classification, all applicants with any planning type experience would be qualified. The Department then screens the applicants, and may include job specific tests. However, depending on the applicant pool, the selected applicant's work experience could still be different from the experience needed for the particular job.

With the recent reductions in force, the broad job classifications have created some concern about the qualifications of senior employees who have bumped others from their jobs. The broad job classifications have created a problem where employees with the same job classification will now be doing completely different types of work from their experience and work history. It was noted that several of these employees might not have the experience necessary to perform the jobs even though they meet the minimum qualifications for the position classification. According to the labor agreement the person must not only meet the minimum qualifications for the classification, but must still perform the full range of duties of the position with a brief orientation or familiarization period. Employees placed in this situation may encounter difficulties in performing their jobs, and customer service may be negatively affected. If employees cannot perform their jobs and are terminated, the Department would "call back" a laid off employee in the same job class. However, this cycle could continue if the person called back does not have experience that matches the job's duties and responsibilities.

## **TRAINING**

The analysis of the Department training records and results of the employee survey on training and critical skills are discussed in this Section. For more information on methodology, see the Methodology Section and Appendices.

The training survey was distributed to about 85 staff members representing all the divisions, but most of the surveys (52) were distributed to staff in the Commercial Land Use unit. Of the surveys distributed, 38 surveys were returned, and Exhibit G shows the number of returned surveys by division.

**Exhibit G.**  
**Number of Returned Surveys By Division**

<b>Division</b>	<b># of Surveys Returned</b>
Administration	4
Commercial Land Use	28
Single Family Residential	4
Long Range Planning	2
Total	38

The training analysis addresses a number of issues about how the Department uses its training budget. Key questions about training include the following:

- What are the critical skills that each employee needs to perform his or her job?
- Is there enough training on the critical skills employees need to perform their jobs?
- How much training is provided to employees?
- Do training expenditures support critical skills?
- Is training recommended and provided as part of performance evaluations? and
- What additional training is needed?

The Department does not have a formal training plan and employees receive training based on their requests to supervisors and Division Managers. Between June 2001 to May 2002, the Department spent about \$42,000 on external training courses, conferences, and classes for the entire Department. Besides the external training, some training is provided internally. In the Commercial Land Use unit, a number of training sessions were conducted within the last year on critical areas review, reading legal descriptions, Department of Ecology shoreline issues, and platting. Only the critical areas review was required training, while the rest were optional for staff. In September 2002, the Department plans to provide customer service training for 50 employees to help build and improve interpersonal skills for staff that must interact with the public and peers. Specific training needs identified for the session include courtesy, listening skills, decision making, and problem solving.

**EXTERNAL TRAINING OPPORTUNITIES**

To determine the extent of training received by the Commercial Land Use staff and the sample of other division staff, an analysis of the external training attended by 85 employees was conducted. Using the Department's training database for June 2001 to May 2002, the external training was analyzed by employee and division. Of the 51 Land Use Permitting staff in the Commercial Land Use unit, 28 (54%) received no external training; 12 (24%) went to one training event; six (12%) went to two training events; four (8%) went to three training events, and one (4%) went to four training events. Compared to the other sample employees, who are primarily administrative staff

such as Permit Assistance Coordinators and other administrative and technical positions, a higher proportion of Land Use Permitting staff attended external training. In the other sample, work groups 80-90% of the staff did not attend any training. However, for similar position classes in the Commercial Land Use unit, 77% of those staff also did not attend any training in the past year. There appears to be fewer training opportunities for the administrative positions compared to the technical and professional Land Use Permitting staff. Exhibit H shows the number and percentage of staff by the number of training events attended.

**Exhibit H.  
Number of Training Events Attended by Land Use Permitting Staff  
and Other Selected Employees**

<u>Division (Staff Group)</u>	<u>Number of Training Events Attended</u>						<b>Total Staff</b>
	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	
<b>Admin (Customer Services &amp; Environmental)</b>	8	1	0	1	0	0	<b>10</b>
<b>Commercial Land Use</b>	28	12	6	4	1	0	<b>51</b>
<b>Division Directors</b>	1	0	0	3	0	1	<b>5</b>
<b>Long Range Planning (GIS &amp; Automation)</b>	8	2	0	0	0	0	<b>10</b>
<b>Single Family Residences (Counter)</b>	9	0	1	0	0	0	<b>10</b>
<b>Total</b>	<b>53</b>	<b>15</b>	<b>7</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>85</b>

**Percentage of Staff by Number of Training Events and Division**

<u>Department</u>	<u>Percentage of Staff by the Number of Training Events Attended</u>						<b>Total</b>
	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	
Admin (Customer Services & Environmental)	80%	10%	-	10%	-	-	100%
Commercial Land Use	54%	24%	12%	8%	2%	-	100%
Directors	20%	-	-	60%	-	20%	100%
LRP (GIS & Automation)	80%	20%	-	-	-	-	100%
SFR (Counter)	90%	-	10%	-	-	-	100%
<b>Total</b>	<b>63%</b>	<b>18%</b>	<b>8%</b>	<b>9%</b>	<b>1%</b>	<b>1%</b>	<b>100%</b>

#### **CRITICAL SKILLS AND TRAINING OPPORTUNITIES**

To assess the value of the training and its relationship to the critical skills needed by employees to perform their jobs, the training survey was used to identify the critical skills and to obtain each employee's perception about how well trained they are in the critical skills they identified. Overall, the survey indicated that most employees believed that did not have enough training in their critical skills. As part of the survey, each employee identified the three to five critical skills their job required. The survey results showed that over 178 critical skills were identified by 38 employees.



To help classify the types of skills, however, we divided them into the categories of Technical, Customer Service, Process and Procedures, Supervisory, and General.

Examples of critical skills identified by survey participants include the following in each category:

<b>Skill Category</b>	<b>Critical Skill</b>
<b>Technical</b>	Knowledge of applicable local, state, and federal land use regulations and policies Knowledge of building construction codes Plant identification Knowledge of final plat, short plat, and BSP codes Ability to use Amanda Civil engineering plan review Ability read and understand construction, utility, and site plans Knowledge of County codes, especially Titles 17, 18, 27, 29, and 32 Reading legal descriptions
<b>Customer Service</b>	Identifying how the County can best proceed with accomplishing what the customer wants Understanding and explaining permit processes and procedures to citizens Customer service skills and telephone skills Provide helpful and courteous public service in person and on the telephone Ability to analyze customer needs and react appropriately
<b>Process and Procedures</b>	Knowledge of permit processes and procedures Knowledge of internal PDS organization as well as the County organization Knowledge of the Council approval process for a plat or short plat
<b>Supervisory</b>	Coaching and training Supervising employees Preparing and administering division budget
<b>General</b>	Oral and written communication skills Diversity awareness Interpersonal skills Conflict resolution Time management

Exhibit I shows the mix of critical skills for selected types of position groupings. Based on the number of responses and the type of work, several positions were combined into three position groupings to illustrate the type of skill combinations needed to perform their work. We grouped all the Permit Assistance Coordinators, Planners, and the Plans Examiners and Inspectors into three groups. While Planners, Plans Examiners, and Inspectors concentrate mostly on technical skills and general skills, the Permit Assistance Coordinators have an emphasis on technical skills, but also have a balance of customer service and process and procedures skills needed for their jobs.

**Exhibit I**  
**Number of Critical Skills by Type of Position Classification and Skill Category**

Position Grouping	Technical	Customer Service	Process & Procedures	Supervisory	General
<b>Permit Assistant Coordinators</b>	25	11	10	-	8
<b>Planners</b>	17	5	3	2	8
<b>Plans Examiners and Inspectors</b>	15	2	1	2	8

To determine how well employees were trained in the critical skills, the survey asked the employees to assess the amount of training received for each critical skill. The response scale went from one to five with one being not enough, three being just right, and five being too much. The average rating for all skills was 2.4. Of the returned surveys, 55 % of the employees had received training in the past year, and of the training received in the past year, those employees indicated that 98% applied to a critical skill they identified. The analysis by skill category shows that the average rating for the least amount of training applied to technical and general skills at 2.3, while the highest average rating was for supervisory skills at 2.7. For only the Commercial Land Use staff, the lowest average rating was for supervisory skills at 2.0, and the highest average rating was for process and procedures at 2.8. Exhibit J shows the average ratings for all the staff and just the Commercial Land Use staff.

**Exhibit J**  
**Average Ratings for Training by Skill Category**  
**(Scale: 1-not enough, 3-just right, 5-too much)**

Skill Category	All Staff Average Rating	Commercial Land Use Average Rating
<b>Technical</b>	2.3	2.2
<b>Customer Service</b>	2.5	2.4
<b>Process &amp; Procedures</b>	2.4	2.8
<b>Supervisory</b>	2.7	2.0
<b>General</b>	2.3	2.2
<b>All Skills</b>	2.4	2.3

**PERFORMANCE EVALUATIONS AND TRAINING**

As part of performance evaluations, identifying training needs should be an integral part of an employee's evaluation. To determine the relationship between performance evaluations and training the survey asked employees whether training was recommended as part of their performance evaluation and whether they have had the recommended training. The survey responses showed that 39% (15 employees) indicated that training was recommended and 60% indicated that they have had the training recommended.

## TRAINING NEEDS

The last survey question asked employees to identify any additional training that they would like and whether the training was related to a critical skill. The surveys showed that 68% of the survey participants identified additional training, and of those identifying additional training, 95% of the training related to one of the employee's critical skills. Most of the training needs are oriented toward technical and general skills. It should be noted that some training identified by each employee might be similar, but are counted as separate training events. The training needs by skill type are as follows.

**Exhibit K**  
**Number of Training Events Requested by Employees**  
**(Includes both internal and external training)**

<b>Skill Category</b>	<b>All Staff Number of Training Events</b>	<b>Commercial Land Use Number of Training Events</b>
<b>Technical</b>	52	33
<b>Customer Service</b>	8	6
<b>Process &amp; Procedures</b>	12	5
<b>Supervisory</b>	5	3
<b>General</b>	27	24
<b>Total</b>	104	71

Based on the list of critical skills, the survey also asked employees to identify the most appropriate ways to provide the training to them.

Exhibit L shows the overall percentage of responses for all the critical skills for each type of training method. A skill could have more than one training method specified, and consequently, the percentages do not add to 100%.

**Exhibit L**  
**Percent of Skills Identified with Each Training Method**

<b>Training Method</b>	<b>Percent of Responses</b>
<b>On the job training</b>	61%
<b>Department specific training</b>	47%
<b>Countywide training</b>	22%
<b>Formal education</b>	16%
<b>External training</b>	40%
<b>Other methods</b>	6%

For the different skill categories, there is some variation in the most preferred training methods to be used. Exhibit M shows the responses by skill category:

- For technical skills, on the job training, Department specific training, and external training were the most appropriate methods;
- For customer service skills, Department specific training was the preferred method but all other methods except through formal education would also be appropriate;

- For process and procedures skills, on the job training and Department specific training were the most appropriate methods;
- For supervisory skills, Countywide training was the most appropriate method;
- For general skills, on the job training and external training were the most appropriate methods along with Department and Countywide training.

**Exhibit M.**  
**Number of Critical Skills Identified with Each Training Method By Skill Category**

Type of Skill	On the job training	Department specific training	Countywide training	Formal education	External training	Other methods
Technical	60	41	13	18	43	3
Customer Service	10	12	8	3	8	2
Process & Procedures	16	14	3	-	1	2
Supervisory	4	4	7	1	4	-
General	19	12	9	6	15	3

## CONCLUSIONS

Based on our analysis of the Department's commitment to customer service, its hiring qualifications, and its training practices, the consultant team found the following:

- ❑ The Department has job performance criteria that specifically address customer service and other job skills that affect customer service such as interpersonal skills. However, the formal job performance evaluation process is not consistent and timely to ensure that the staff has adequate feedback on their performance and guidance on how to improve their overall performance and customer service. Three different evaluation forms are being used, and a shorter and less customer service specific form is now being used more frequently. Because of the reductions in force and reorganizations, most of the land use staff have not had a performance evaluation since 2000.
- ❑ The Commercial Land Use and Office of the Fire Marshal Division Manager use of team leaders who are members of the same union as the staff they supervise. Hence, over 50 performance evaluations must be done by the Division Manager and Section Supervisor rather than by an employee's direct supervisor who is the team leader. Team leaders do, however, coach and mentor their staff during the year, but cannot be involved in the hiring, discipline, and firing of employees. As a result, formal involvement in the performance evaluation process is limited.
- ❑ The Department's education and work experience qualifications for employees involved in reviewing land use permits are generally consistent with other jurisdictions. However, the Senior Planner and Principal Planner positions have a minimum number of years of work experience (two to three years) relative to other senior job classes with four to six years

experience. In addition, the technical work experience requirements are broad and are not related to the specific job opening because the County uses broad job classifications that are interchangeable within the Department.

- ❑ During the reductions in force, some employees with little or no experience for a position “bumped” more experienced staff because they still met the minimum qualifications for the job class. The labor agreement allows bumping if the employee can perform the full range of duties with a brief orientation or familiarization period. If employees do not have the necessary experience and background to perform their new position’s responsibilities, the quality of customer service could decline.

The Department has attempted to address one of its major training needs by developing a customer service-training course with Edmonds Community College. However, the Department does not have a formal training plan and employees generally receive training on a first-come-first-served basis. A high percentage of employees have not received any external training in the past year even when it has been recommended during performance evaluations. An employee training survey revealed that on the average most employees believe that additional training is necessary to improve their critical skills. Based on the survey, employees identified technical type of training as the greatest need, with on the job training, Department specific training, and external training as the preferred methods for being trained.

## **JURISDICTION RESEARCH**

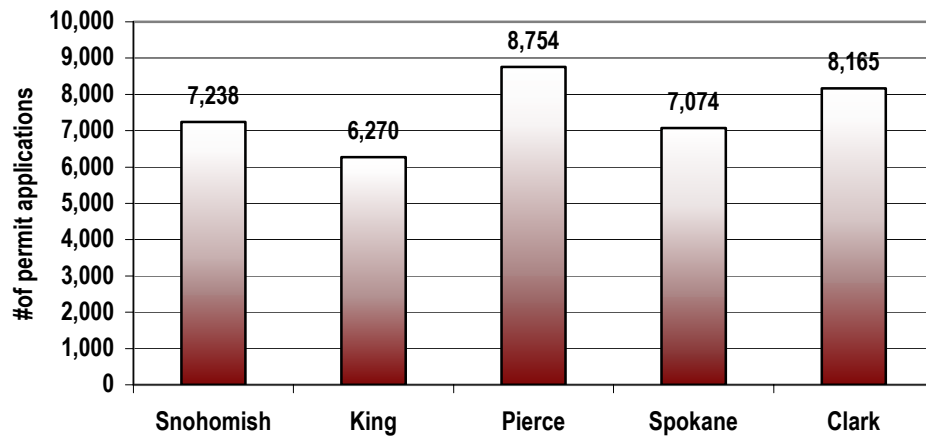
Snohomish County’s unincorporated population is smaller than King and Pierce counties but larger than Clark and Spokane. Nearly half the total population of Snohomish County lives in the unincorporated part. Pierce and Spokane counties have a similar percentage but only 25 percent of the population of King County live in the unincorporated part and 72 percent in Clark County.

Snohomish County has the largest reported unemployment rate at eight percent. However, the other counties did not report 2002, figures. As recently as July, the unemployment rate for the state of Washington has been reported at 7.1 percent. Nationally, the rate has been hovering just below 6 percent.

Median home price divided by median income provides a ratio that reflects on the affordability of the county. Snohomish is right in the middle at 3.5, better than King and Pierce but not as good as Spokane and Clark.

Permit volumes for the major categories are relatively uniform across the five counties. Snohomish County is again in the middle with more than King and Spokane but less than Pierce and Clark as shown below.

### Commercial, Residential and Land Use



It should be noted that permit and valuation numbers are recorded, grouped, categorized and reported in different ways in each county. No two agencies track or report their permit measurements alike. A great effort has been made to meet reasonable standards for comparability. Ratios of Commercial to Residential to Land Use should be accurate within each county and therefore comparable. The “Other” category was difficult to quantify and could distort percentages of county totals. For example, the 18,000 “Other” permits reported for Pierce County makes the percentage of residential permits seem low compared to other jurisdictions. However, the “Other” category has been included to depict the overall volume of permits.

	Snohomish		King		Pierce		Spokane		Clark	
	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002
Commercial										
Permits	559	338	473	215	638	253	612	258	592	231
Valuation	63,785,822	57,328,382	NA	NA	157,932,924	76,170,307	115,564,853	54,870,148	87,877,327	59,380,019
Residential										
Permits	2,535	1,431	2,708	1,879	3,451	1,722	3,170	1,602	3,615	1,866
Valuation	374,455,677	205,304,445	NA	NA	323,144,712	166,020,329	164,868,143	82,236,683	298,004,887	157,119,028
Land Use										
Permits	1,557	818	769	226	1,738	952	1,017	415	1,186	675
Valuation										
Other										
Permits	4,606	3,231	1,117	434	12,401	6,254	10,724	5,210	NA	NA
Valuation	NA	NA	NA	NA	NA	NA	5,067,001	1,674,888	31,000,847	3,520,840
Total										
Permits					19,972	10,180	14,506	7,070	NA	NA
Valuation	NA	NA	NA	NA	NA	NA	285,499,997	138,781,719	416,883,061	220,019,887
Notes: 2002 figures are through June King County does not track valuation. None of the counties assigned valuation to Land Use permits. Numbers are for relative comparison only and not to be considered 100% accurate. Differences in naming, categorization and reporting conventions may affect comparability. All data was provided by individual counties either directly or from official web sites.										

The pie charts included with each county profile show percentages of each major type of permit. The pie charts are remarkably similar. Residential permits are by far the highest volume with 55 to 73% of totals and Commercial with 10 to 12% of the totals. Snohomish County has the highest percentage of Land Use with 33 percent of its total.

The remainder of this Section of the report contains information on each jurisdiction; including Demographic Information; Permit Volume and Performance Information; and other pertinent findings.

## SNOHOMISH COUNTY

### PDS MISSION STATEMENT (2002 REPORT TO CUSTOMERS)

"I believe the mission of Planning and Development Services is to build community, working professionally and in partnership with all our customers. In carrying out our mission, I want PDS to be known as the best planning and permitting agency in the region. "Faith Lumsden, PDS Director".

### PDS MISSION STATEMENT (PERFORMANCE REVIEW INSTRUCTIONS)

We will strive to create the best community possible by providing high quality planning and development services. We will work in partnership with our customers in promoting a balanced and quality living, working and natural environment throughout the county."

## D. CONCLUSIONS AND RECOMMENDATIONS

### CONCLUSIONS

As was cited in the Executive Summary of this report the following conclusions can be made from the findings of interviews, mapping, analysis, focus groups, comparative studies, examination of business practices, and surveys of staff:

- ❑ Current processes are not designed to deliver what is expected by the customers.
- ❑ There is not any evidence of ownership of the process or responsibility for designing processes to meet customer expectations. A process owners responsibility includes paying attention to the organization and relationship of all the activities in each process to achieve customers results.
- ❑ These processes are overwhelmed with overhead – a significant amount of resources are expended which do not bring value to customers.
- ❑ Current processes are beset by delays – there are few commitments to deliver results to customers anywhere near the time it actually takes to do the work involved a clock time of work versus calendar time to have work take place – i.e. one hour review of corrections (clock time) can take up to 8 weeks (calendar time) to be accomplished.
- ❑ Current processes are plagued by errors – numerous correction cycles are built into the process, and most errors are attributed to the customer.
- ❑ Current processes operate unpredictably and inconsistently. Changes in staff and multiple interpretations of codes make the process iterative and ad hoc. Staff skill levels applied at various points in the process insures different and varied results. The need for review is unclear, so most everything is reviewed, making the process arbitrary.
- ❑ Current processes reflect a lack of alignment around common goals – there is no clear and common reason for being in business and collecting customer's money. The results that customers want, and that customers actually deserve from the process, are not necessarily what the process is designed to deliver.
- ❑ The permitting processes are performing poorly and the existing process measures are not meaningful to customers (PDS 's four -Executive Report- measures):
  - Percent of Customers at Permit Counter served within 30 minutes - Goal: serve 75% of customers at the Permit Counter within 30 minutes;
    - 2<sup>nd</sup> Quarter 2002 = 72.8%
  - Percent of Single Family Building Permits, Goal: 75% in 21 days, percent achieved is based against 75% of permit applications. Goal: Issue single family building permits, 100% within 21 days (no CAR review);
    - 2<sup>nd</sup> Quarter 2002 = 65.9%
  - Single Family Residential Permits percent issued, Goal: 90%, in 8 days, percent achieved is based against 100% of Applications. Single Family permits issued with basic plans, 90% within 8 days;
    - 2<sup>nd</sup> Quarter 2002 = 61.8%
  - Percent of projects on time for setting a hearing under 120-day clock;
    - 2<sup>nd</sup> Quarter 2002 = 64.5%



- ❑ Snohomish County permitting volume and performance is average among the five County's we reviewed.
- ❑ The PDS organization lacks a clearly communicated, understood and supported organizational mission and purpose.
- ❑ The existing organizational structure has been changed several times over the last two years, based on available personnel and budget reductions.
- ❑ The majority of PDS employees have not had a performance evaluation within the last two years.
- ❑ Training provided to PDS employees is limited.
- ❑ PDS and Public Works cooperation and coordination need enhancement.
- ❑ PDS does not have regularly scheduled and structured, two-way communications with customers and stakeholders.

### **CONCLUSIONS - MAPPING AND ANALYSIS**

What also showed up missing in our analysis of the activities is an activity set we call *process ownership*. The problem of process ownership is defined in our view as the situation where no one is focused on all the steps together as one unit. Process ownership is the way in which the abstract goal of putting customers and stakeholders first is turned into practical consequences. Process ownership is about *designing* a desired result.

### **CONCLUSIONS - FOCUS GROUPS**

The Focus Group sessions yielded strong opinions and overall dissatisfaction with the existing permitting processes. While the stakeholder focus groups were not intended to be a statistically valid "survey" of the permitting process customers, they did provide a compelling set of issues and concerns. These stakeholder "perceptions" are their reality, and do represent those interactions of regular and ongoing customers and stakeholders. The majority of the stakeholders concerns were focused on the processes and management/staff issues.

### **CONCLUSIONS - ORGANIZATIONAL ANALYSIS**

The repetitive themes and issues identified during these interviews fell into three categories; management/staff issues; performance issues and organizational issues. Additionally, our analysis identified several significant organization issues. The majority of PDS staff has not had a performance evaluation since 2000. The performance evaluation process do not support staff; performance growth. PDS training is limited. The supervisory structures and spans of control are deficient.

### **CONCLUSIONS - JURISDICTIONAL RESEARCH**

Overall PDS's is permitting performance is average when compared to the other jurisdictions. Most of the jurisdictions do a better job of measuring their performance. Other jurisdictions measure,

track and report more customer service and financial performance indicators. PDS's current performance, as assessed by its own measures, is below all of its own target threshold..

## RECOMMENDATIONS

Based on our findings and analysis, it is our recommendation that Snohomish County conduct a comprehensive redesign of its permitting processes. The redesign should be approached holistically, addressing PDS's structure, systems, and culture. We recommend beginning with leadership alignment and clarity on the essential purpose and expectations of PDS, and then design structures and systems that will fulfill the desired outcomes.

Given the current condition and performance of PDS's processes we do not believe additional initiatives or incremental efforts will have significant positive impact on the performance of the process. To the contrary, continuing with incremental initiatives, and symptoms fixes, will likely exacerbate the current fragmentation. Effective and long last solutions cannot be drawn from a prioritized menu of items.

While a menu approach might be the approach many organizations (and consultants alike) would typically recommend, we believe this would be short sighted and result in a very initiative rich environment –characterized as “the flavor or fad of the month.” Snohomish County PDS has implemented numerous initiatives over the last few years – each focused on “fixing” symptoms of the existing processes. We believe the time for incremental tweaking is past - and the time for transformational reinvention is an opportunity Snohomish County should seize.

Embarking on the path of transforming PDS into a high performing organization is certainly a worthwhile endeavor. We know from experience that although it can be very successful, it is very hard work. A high level of leadership commitment, understanding, and support is critical to the successful transformation.

There are three very fundamental and critical questions that must be addressed by Snohomish County's (Council, Executive and PDS) Leadership must address prior to starting on any process improvements:

- ☐ Do PDS's permitting processes need significant improvement?
- ☐ Can the PDS's permitting processes be significantly improved?
- ☐ Is there a common view and commitment among Snohomish County's Leadership to significantly improve the permitting processes?

We believe the County's leadership (Council, Executive and PDS) must answer affirmatively to all three questions as a prerequisite to successfully implementations process improvements.

Our recommendations define four distinctive features that would characterize a new PDS organization:

First, the organization would become customer-focused, and design all processes to that end. This perspective would inevitably lead to new ways of thinking because it would change the current belief that customers “needs” cannot be met. Meeting customer needs would be the business of PDS.

Second, process thinking would be based on a belief that PDS’s success flows from a well-designed way of working. This perspective would suggest that a new way of working would demand designs that meet interests in a transparent way.

Third, processes would all be designed to be outcome oriented – teleological. This means that the process would focus on the outcome of the work rather than on the work as an end in itself. All activities that do not bring value to the specific outcomes would be subject to redesign by the process owners.

Fourth, processes would be holistic and transcend individual activities. A good process design concentrates on how the various activities in that process fit together and complement each other to produce the best outcomes, i.e. customer results.

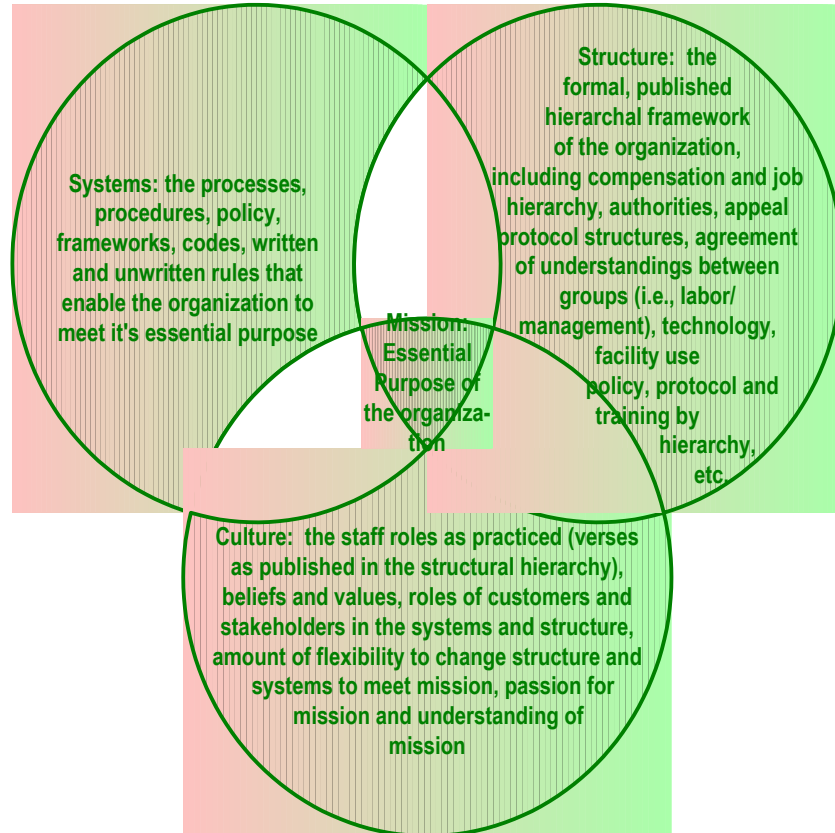
With these principles in mind, our goals for PDS would be to create integrated systems, structure, and culture that together provide results for customers, and meet the mandates of mission.

Generally, the transformational goals could be stated as:

8. Make PDS easier to do business with. This is the customer results and service aspect of process design. What do customers need? Are you designing to provide it according to the parameters customers need?
9. Add more value for customers. This is especially necessary since PDS is a monopoly, and creates the constraints customers go through to get the services they need from PDS. Creating value is likely to take the form of skilled coaching, on-line services, less review, simplified code, etc.
10. Streamline your processes to provide the services so customers get results without having to manage your inefficiencies. Obsess about improving and fine-tuning your approach to getting results by having clear process ownership – this means someone who has clear responsibility to pay attention to improving the way processes work to deliver results.

11. Use measurement for improvement by creating dashboards and communicate process performance to both staff and customers. Keep measurement focused and manageable, but visible, available and understandable. But most of all, communicate it broadly and openly. Use measurement for improvement, not punishment.

12. Challenge the sacred cows and push past boundaries to achieve results for customers while meeting the mission. This will likely mean old organizational structures are no longer appropriate. Old ways of doing things no longer are appropriate in every case; i.e., not everything has to be reviewed. Old assumptions about management will be challenged, e.g., that lower paid staff should do “clerical” type tasks, or that “the first customer in should be the first customer served”.



13. Finally, management and leadership must demonstrate more effective management and leadership skills. Defining and modeling behaviors that allow for alignment of formal and informal cultural characteristics require challenging current paradigms and practices. In order to successfully integrate the new transformational processes, leaders must be able to clearly articulate create an environment in which their people have the opportunity to succeed.

Our recommendation implementation is described in Section E.

## E. IMPLEMENTATION PLAN

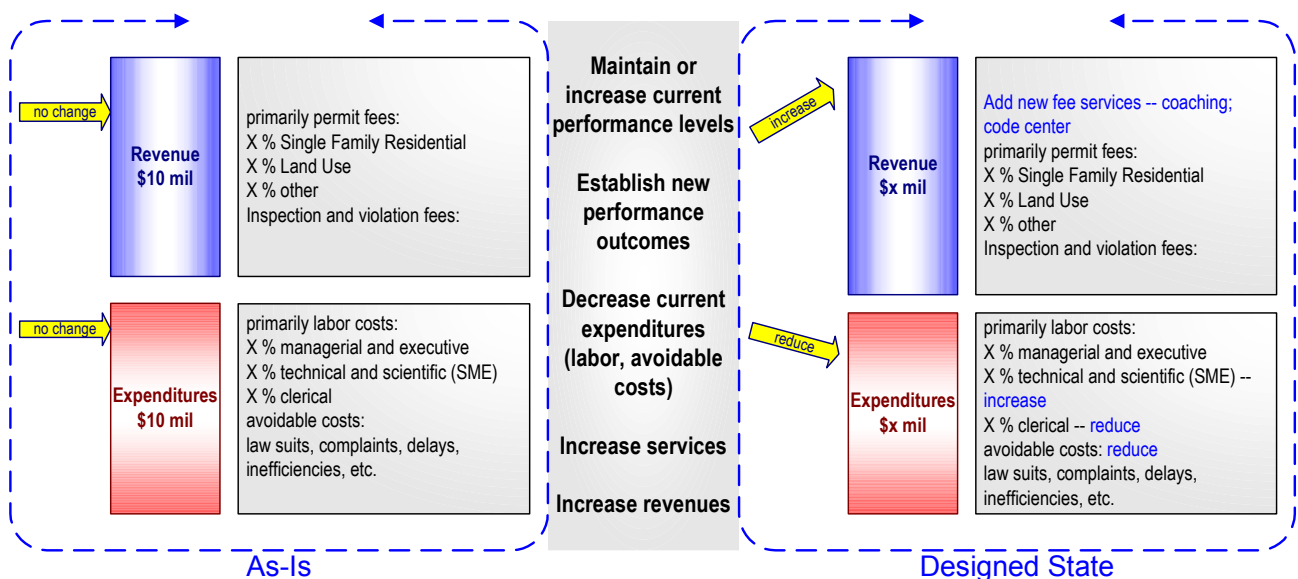
We have seen organizations “reinvent” their processes, resulting in rather remarkable results. While the work is very hard, the pay-offs in quantifiable terms. monetary and process performance, as well as in qualitative terms, customer, stakeholder and employee satisfaction can be very significant.

There is a continuum of expectations and results that can be realized in reinventing processes. At one end of the continuum is a conservative expectation - establishing the same level of service currently being provided by the existing processes for dramatically lower costs (10 percent is a very conservative estimate, 25 to 30 percent is very realistic). The upper end of the continuum is a more aggressive expectation – establishing new services, higher levels of service, increased revenues and lowering expenditures.

The area in between can be a mix of increased services and revenues and reduced costs.

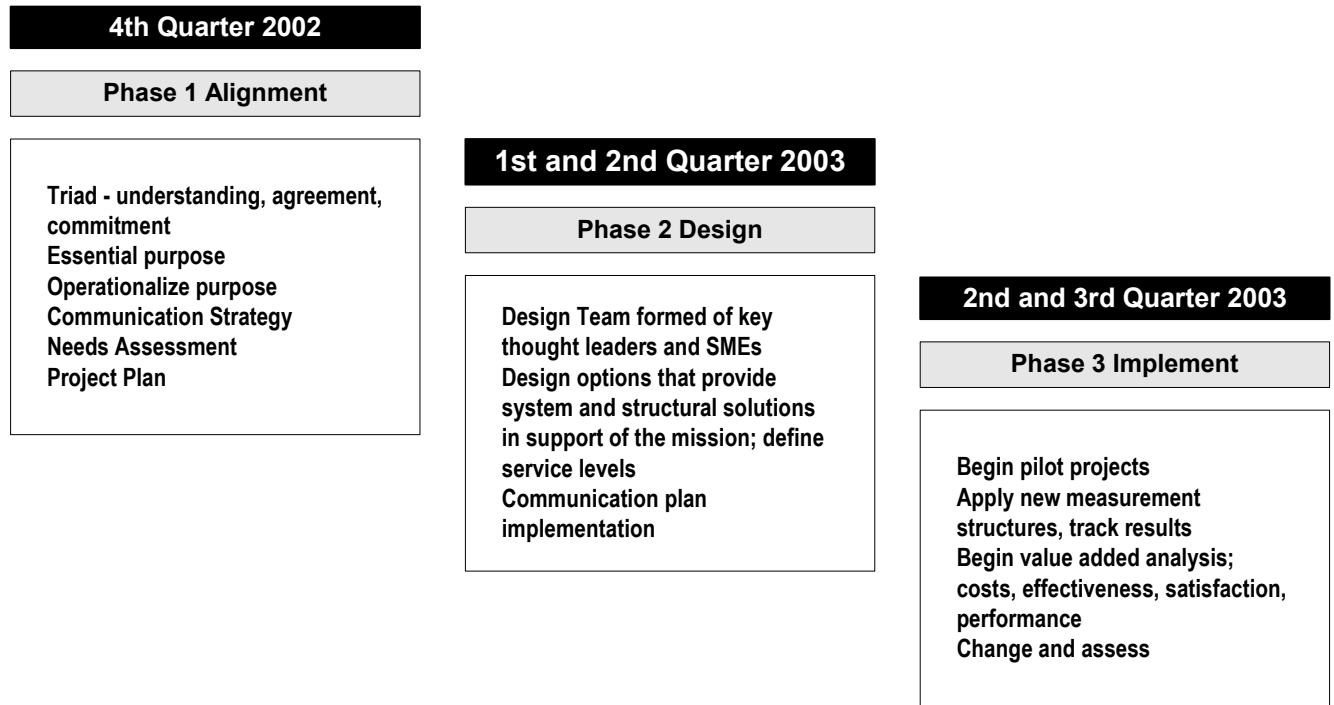
**GOVERNMENT CAN AND SHOULD BE ABLE TO PROVIDE INCREASED SERVICES FOR LESS COST. DOING MORE WITH LESS IS NOT A MYTH OR FALLACY, BUT TAKES STRONG LEADERSHIP, COMMITMENT AND THE WILLINGNESS TO FUNDAMENTALLY EXAMINE WHAT BUSINESS YOU ARE IN, AND THE METHODS YOU USE TO ACHIEVE THE RESULTS DESIRED.**

Snohomish County’s PDS permit revenue is approximately \$10 million. We believe the range of improvements available to the County are well above the 10 percent conservative range and are much more likely to be in the 25 to 30 percent range. Applying these numbers to the current permit expenditure amount can forecast a range of quantifiable benefits of \$1 million to \$3 million per



year. By aggressively pursuing the implementation plan we describe below, we believe the County can begin realizing these savings in less than one year.

We recommend Snohomish County pursue their process improvements in three phases, as illustrated below:



## PHASE 1 ALIGNMENT

The Alignment phase should take place immediately and be lead by a small group of individuals from the Council, Executive and PDS, and be fast tracked for completion in two to three months. This phase consists of five elements:

1. The County Leadership (Council, Executive and PDS) engages in a collaborative and focused effort to establish clear alignment of the PDS mission and purpose. This effort includes the leadership “Triad” establishing a common understanding, agreement and commitment to the mission and purpose of the PDS organization that is aligned with the needs and expectations of its customers and stakeholders.
2. Next the “Triad” must effectively operationalize the mission by defining:
  - ❑ What business PDS is in?
  - ❑ What is its essential purpose?
  - ❑ What method(s) will be used to achieve the purpose? And,

- ❑ What outcomes are expected?
- 14. Define and implement a communication strategy, which will effectively address both internal and external audiences.
- 15. Conduct a needs assessment. Based on the operationalized mission elements (item two above) define the structural, systems, and cultural requirements to support the defined business purpose and expectations. After establishing the desired “profile requirements” conduct an assessment of current capabilities and identify the gaps from current capabilities to required capabilities.
- 16. The Alignment Phase concludes with developing a Project Plan. The Project Plan includes setting cost targets and defining/identifying the resources required for moving forward into Phase 2 - Design and Phase 3 - Implement. The resources can include external consulting resources, as well as internal subject matter experts to lead the design effort.

## **BENEFITS**

The largest benefit of phase one will be to signal to the citizens, customers, stakeholders and employees of the County’s permitting process that the County has heard them and is committed to transforming the permitting services to meet their needs. To not do so, especially following a focused analysis on these issues, creates the likelihood that the cost of doing business using the current method will continue to grow. To illustrate, the price the County pays by operating in the current manner includes:

- The costs of staffing and managing very inefficient and ineffective processes, burdened with excessive non value-added and expensive tasks;
- The very high costs of intervention and incident response, including customer complaints, lawsuits, etc;
- The costs of not having a positive reputation; and,
- The costs of operating in an adversarial versus cooperative environment, which is seen as a necessary part of how the current system is designed to operate. The adversarial balance includes and extends to relationships between the Council, Executive and PDS; relationships externally with customers and stakeholders, as well as relationships internally between PDS and Public Works.

## **COSTS**

The consultant cost estimate for the Phase 1 work is roughly determined to be between \$85,000 and \$130,000. The costs PDS can expect to incur beyond consultant assistance include the investment in establishing a design team of internal experts who will work with the consultant team for the duration of this project, dedicated time from the County Council, Executive Leadership, and other Subject Matter Experts.

## **PHASE 2 - REDESIGN**

The second phase consists of four essential elements of designing a business approach and supporting systems, structure and processes that intentionally coordinate the organization with it’s mission and essential purpose. Much of the early work of this phase will be about creating the

capacity for change by abandoning many of the activities of the organization that provide less or little value.

- Establish a small team of “key thought leaders and subject matter experts” to be the “Design Team”.
- The Design Team will prioritize and design the structures and systems that will fulfill the essential purpose and outcomes defined in Phase 1. This includes identifying the structural and systems support required for the new processes.
- The Design Team will form appropriate “pilot” processes/programs to be implemented in Phase 3, and finalize the Project Plan targets identified in Phase 1.
- Implement the communication plan.

## **BENEFITS**

The benefits associated with stage are making the service improvements and developing methods to meet the cost targets identified in Phase one-real, believable, and achievable. As well, there will be significant benefits of reduced non-value work in this phase, allowing capacity for change.

## **COSTS**

The consultant cost estimate for this work will be defined in Phase One, Project Plan, since at that stage, we will have a much clearer idea of the scope of the first steps that Snohomish is willing to take. The cost range we expect would be approximately \$150,000+ based on staff support.

The organizational costs expected in this phase of the work include full-time design commitment from internal thought leaders and subject matter experts. This work will be focused and of short duration, but it will be full-time, necessitating that the PDS organization take a serious look at what they “stop doing” as part of creating capacity for improvement.

## **PHASE 3 – IMPLEMENT AND PILOT REDESIGNS**

The third phase of work consists of four essential elements:

1. Initiate and measure pilot processes and programs;
2. Implement the supporting system requirements;
3. Conduct cost/benefit analyses; and,
4. Correct and reimplement.

## **BENEFITS**

The benefits associated with this stage of work are fulfilling the expectations and needs of customers and stakeholders. This stage is characterized by significant changes in what people are actually doing, how work is happening, and what is getting measured and monitored. Since this is the phase where the quantifiable and qualitative results can be realized, it is also the phase where communication with customers and stakeholders needs to occur. The voice of the customer is



collected and processed in a disciplined fashion and used to influence the course corrections that are made as designs are fine tuned.

## **COSTS**

The consultant cost estimates for this phase of the work will be defined in Phase two, as the specific pilot projects, implementation strategies and measurement challenges are designed. Consultant support can take the form of developing measurement protocols, monitoring pilots, facilitating dialog between customers and the organization, and providing insight for course corrections as needed.